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No. 42

Senate

The Senate met at 9:15 a.m. and was called to order by the Honorable LINCOLN CHAFEE, a Senator from the State of Rhode Island.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Father, bless the Senators today. You are the Potter; they are the clay. Mold them and shape them after Your way. Americans have prayed for Your best for this Nation, and You have answered their prayers with these women and men, chosen by You because they are people open to Your guidance. Meet their personal needs today so they can be Your instruments in meeting America's needs. Give them peace of mind, security in their souls, and vigor in their bodies so they can lead with courage and boldness. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable LINCOLN CHAFEE led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 27, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable LINCOLN CHAFEE, a Senator from the State of Rhode Island, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. CHAFEE thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The bill clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

Specter amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

Hagel amendment No. 146, to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits.

AMENDMENT NO. 146

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the Hagel amendment No. 146. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, the remaining time on the proponent side of the Hagel amendment is how much?

The ACTING PRESIDENT pro tempore. Eighty minutes.

Mr. MCCONNELL. I expect Senator HAGEL to be here momentarily. I yield myself 5 minutes of the Hagel proponent time.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. MCCONNELL. Mr. President, I never thought I would be putting a Richard Cohen column in the CONGRESSIONAL RECORD for any purpose on any issue, and certainly not on campaign

finance reform. But I think this liberal columnist of the Washington Post must have had an epiphany. His column this morning I think is noteworthy, and I want to read a couple parts of it before putting it in the RECORD.

Richard Cohen said this morning in the Washington Post with regard to the underlying bill that it would do damage to the first amendment. He said:

There is no getting around that. The AFL-CIO is right about it. The American Civil Liberties Union is right too. Some senators who support McCain-Feingold do not quibble with that assessment; they say only that no bill is perfect. . . .

Further in the article, Cohen says:

The trouble is that the lobbyists on K Street will ultimately figure out a way around any campaign finance reform. This is virtually a physical law in Washington, like water seeking its own level. It happened following the Watergate reforms, and it will happen this time, too.

And so when that happens we will be left with nothing much in the way of reform. But we will be left with a bit less free speech. Specifically, we will be left with severe restrictions on so-called issue advocacy. Sometimes these efforts are scurrilous and underhanded: Remember the scuzzy attack by friends of George Bush on John McCain's record on cancer research? But sometimes such attacks are valuable additions to the political debate. However you judge them, they are speech by a different name, and the First Amendment protects them all.

He goes on to say:

Still, Congress has no business enacting a law—any law—that contains provisions it knows will not pass constitutional muster. . . .

So there is a great desire to do something—almost anything, it seems, to convince the public that not all Washington is for sale. Much of the Washington press corps, symbiotically tied to government for its sense of importance, also cries out for reform. But this particular reform comes at a steep price, even the criminalization of what heretofore was free speech.

No doubt the power and wealth of special interests pose a problem for the political system. But worse than the ugly cacophony of a

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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last-minute smear campaign is the chill of any government-imposed silence. That's not reform. It's corruption by a different name.

I ask unanimous consent that the Richard Cohen column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 27, 2001]

... PRESERVE FREE SPEECH
(By Richard Cohen)

To tell the truth, I had no intention of ever writing about campaign finance reform, as in the McCain-Feingold bill. It is a complicated matter, clotted with arcane terms like "soft money," "hard money" and now—and God help us—"non-severability." This is the sort of mind-numbing issue that I felt could be better handled by a panel of experts on the Jim Lehrer show—people with three names, like Doris Kearns Goodwin.

But an unaccountable sense of professional obligation got the better of me. I have done my reading, done my interviewing, consulted some very wise people and asked myself one basic question: What is it that I hold most dear in American public life? The answer, as always: the First Amendment.

Sen. Charles Schumer (D-N.Y.), one of those wise men I consulted, tried to make me see matters differently. He essentially stated his case in an eloquent speech on the floor of the Senate, pleading for campaign finance reform as a way to restore the people's confidence in the political system—to make us all feel that the votes of our representatives are not for sale.

Oddly enough, it was just that quality—a restoration of faith or idealism—that attracted me to Sen. John McCain's presidential campaign. Here was a candidate who in words, deeds and something undefinable had many convinced that good people could do good in government, and that the power of money had to be met by the power of ideas. McCain deserves all the credit he can get for putting the issue before the public.

But his bill would do damage to the First Amendment. There is not getting around that. The AFL-CIO is right about it. The American Civil Liberties Union is right too. Some Senators who support McCain-Feingold do not quibble with that assessment; they say only that no bill is perfect and no constitutional right is absolute. In this case, they say, we will have to give up some free speech rights to gain some control over a very messy and sometimes corrupt campaign finance system.

The trouble is that the lobbyists of K Street will ultimately figure out a way around any campaign finance reform. This is virtually a physical law in Washington, like water seeking its own level. It happened following the Watergate reforms, and it will happen this time, too.

And so when that happens we will be left with nothing much in the way of reform. But we will be left with a bit less free speech. Specifically, we will be left with severe restrictions on so-called issue advocacy. Sometimes these efforts are scurrilous and underhanded: Remember the scuzzy attack by friends of George Bush on John McCain's record on cancer research? But sometimes such attacks are valuable additions to our political debate. However you judge them, they are speech by a different name, and the First Amendment protects them all.

McCain-Feingold has various restrictions on issue advocacy. I will not bore you with the details. But those details are what so worries the AFL-CIO, the ACLU and—if they are to be believed—some of the GOP opponents of the bill in the Senate.

Probably, the courts will toss these provisions—that's why non-severability is so important. (Non-severability means that none of the law will take effect if any part of it is ruled unconstitutional.) McCain calls non-severability "French for 'kill campaign finance reform,'" and undoubtedly he is right. Still, Congress has no business enacting a law—any law—that contains provisions it knows will not pass constitutional muster.

But Congress is feeling real sorry for itself. Many of its members work long and hard and don't make anything like the money you can get just for failing at a big corporate job. On talk radio, they're denounced by intellectually corrupt personalities who make much more money, work many fewer hours and talk about Congress as if it were entirely on the take.

So there is a great desire to do something—almost anything, it seems, to convince the public that not all Washington is for sale. Much of the Washington press corps, symbiotically tied to government for its sense of importance, also cried out for reform. But this particular reform comes at a steep price, even the criminalization of what heretofore was free speech.

No doubt the power and wealth of special interests pose a problem for the political system. But worse than the ugly cacophony of a last-minute smear campaign is the chill of any government-imposed silence. That's not reform. It's corruption by a different name.

Mr. MCCONNELL. I also noted with interest David Broder's column this morning. Broder can best be described as something of a moderate on the campaign finance issue. He has been at several different places over the years. He makes this point about raising the hard money limit.

Much has changed in America since 1974, the year that Richard Nixon was forced to resign from the Presidency. Since then, we have had six other Presidents, the arrival of the Internet, and enough inflation to make the 1974 dollar worth 35 cents. That debate will, of course, occur during the course of the Hagel amendment.

Broder goes on to point out:

Twenty-six years ago, Congress said that contributions below \$1,000 were free of that taint. Is there something magical about that figure, or could it be bumped up to \$2,000 or even \$3,000 in order to finance robust campaigns without forcing candidates to spend as much time organizing fundraisers or dialing for dollars as they do in the current money chase?

Further in the article:

Democrats and liberal interest groups claim that raising the \$1,000 limit would benefit only a few wealthy givers. Only one-tenth of one percent of adult Americans made a political contribution of \$1,000 in the last cycle. Of course, politics would be healthier if more Americans contributed something, but only a small minority now check their returns to divert \$3 of their taxes to the presidential campaign fund—which would cost them nothing.

All this does is reflect a basic lack of interest in politics on the part of the Americans, which is not something we applaud, but it is certainly understandable.

Mr. President, I ask unanimous consent David Broder's column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 27, 2001]

RAISE THE LIMIT . . .

(By David S. Broder)

Much has changed in America since 1974, the year that Richard Nixon was forced to resign from the presidency. Since then, we have had six other presidents, the arrival of the Internet and enough inflation to make the 1974 dollar worth about 35 cents.

This week the Senate faces the question of whether a campaign contribution limit of \$1,000 should be adjusted upward for the first time since it was written into law in 1974. Amazingly enough, there are people inside and outside Congress who would jeopardize the passage of meaningful campaign finance legislation in order to preserve that \$1,000 limit.

The Senate clearly has enough votes in sight to pass the McCain-Feingold bill, whose central provision would ban unlimited "soft-money" contributions to political parties from corporations, unions and wealthy individuals. These contributions, which can run from \$100,000 upward and often are extorted by persistent pressure from candidates and officeholders, are rightly seen as potential sources of political corruption.

But before McCain-Feingold comes to an up-or-down vote, senators will confront the question of lifting the \$1,000 limit on individual contributions to federal candidates. That "hard money" limit applies to regulated contributions that the candidates can use to buy ads or pay for other campaign costs. Raising the hard-money limit will offset some of the revenue lost to the parties if the six-figure soft money is banned.

Common sense says—and the Supreme Court has held—that contribution limits are justified by the public interest in preventing corruption or the appearance of corruption. Twenty-six years ago, Congress said that contributions below \$1,000 were free of that taint. Is there something magical about that figure, or could it be bumped up to \$2,000 or even \$3,000 in order to finance robust campaigns without forcing candidates to spend as much time organizing fundraisers or dialing for dollars as they do in the current money chase?

Some Democrats and liberal interest groups, avowedly champions of reform, are finding creative rationalizations for opposing an increase in the hard-money contribution limit. Notable among them is Sen. Tom Daschle of South Dakota, the Democratic leader, who has been warning that if the \$1,000 limit is raised (or raised by an unspecified "too much") he and others will have to reconsider their support for the McCain-Feingold soft-money ban.

It may be sheer coincidence that Democrats caught up to Republicans in the past election in the volume of soft-money contributions, while Republicans actually increased their hard-money lead, collecting \$447 million to the Democrats' \$270 million. Republicans have more contributors, especially small donors, thanks to their well-established direct-mail solicitations, while Democrats have failed to cultivate a similar mass base.

Democrats and liberal interest groups claim that raising the \$1,000 limit would benefit only a few wealthy givers. Only one-tenth of one percent of adult Americans made a political contribution of \$1,000 in the last cycle. Of course, politics would be healthier if more Americans contributed something, but only a small minority now check their returns to divert \$3 of their taxes to the presidential campaign fund—which would cost them nothing.

The reality is that campaigns are going to be funded by relatively few people, but the notion that the \$2,000 contributor of today is

more corrupting than the \$1,000 contributor of 1974 is nonsense.

The second argument is that raising the contribution limit is bad because the goal should be to reduce the amount spent on campaigns. Why? Political communication is expensive in mass-media America. Candidates are competing not only with each other but with all the commercial products and services vying for viewers' attention with their own ads and promotions. Contributions of reasonable size that help candidates get their messages out are good for democracy, not a threat.

McCain and Feingold are seeking to negotiate what a "reasonable" increase in individual limits would be. Such an amendment would strengthen their bill, not damage it, and certainly should not provide an excuse for Daschle or other Democrats to abandon it.

Political journalism lost a notable figure last week with the death of Rowland Evans, for many years the co-author with Robert Novak of one of the most influential columns in this country. Like his partner and many others of us, Evans had his biases, but his hallmark was the doggedness of his reporting. A patrician by birth, he brought a touch of class to his work, and he will be missed.

Mr. McCONNELL. It is noteworthy that nothing in the bill is going to quiet the votes of people with great wealth. Here is a full page ad today, in the Washington Post, paid for by a gazillionaire named Jerome Kohlberg who firmly believes everybody's money in politics is tainted except his. His money, of course, is pure. This is the same individual who spent \$½ million in Kentucky in 1998 trying to defeat our colleague, JIM BUNNING, and I have defended his right, obviously, over the years to do what he wants to do with his money.

It further points out that no matter what we do in the Senate, people of great wealth are still going to have influence. You are not going to be able to squeeze that out of the system. The Constitution doesn't allow it. This is a classic example of how big money is financing the reform side in this debate, underwriting Common Cause, underwriting ads.

Essentially, great people of great wealth are paying for the reform campaign. They are free to do that. I defend their right to do it, but I think it is noteworthy.

I ask a reduced version of this ad in today's Washington Post be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE TIME HAS COME

After two rejections by the Senate of a meaningful Campaign Finance Reform Bill it is now time for the Congress to act.

This is not a Democrat or Republican problem. The two operative parties of government now are "those who give" and "those who take," coupled with the exorbitant amounts of money involved. This collaboration calls into question the legitimacy of our elections and of the candidates in pursuit of office.

Citizen voters are increasingly making it evident that they are disgusted with the process, and questioning the integrity of a system that flies in the face of equal rep-

resentation. They feel more certain with each election cycle that they are getting a President or Congress mortgaged with "due bills" that must be repaid by legislative favors.

It is a system that is inimical to our democratic ideals. One that convinces citizens that their government serves powerful organizations and individuals to their detriment. It is this perception that any new legislation must finally address.

The time has come for the Congress to demonstrate the statesmanship that the people of our country expect and deserve.—Jerome Kohlberg.

Mr. McCONNELL. I see Senator HAGEL is here and fully capable of controlling his time. I yield the floor.

Mr. HAGEL. Mr. President, I yield up to 15 minutes to my colleague from Kansas.

Mr. ROBERTS. Mr. President, a week ago yesterday Senator HAGEL, our colleague from Nebraska, took the floor of the Senate and with straight talk said some things that made a great deal of sense. They bear repeating at this point in this debate.

First, he said it was time for this debate. Our current campaign finance laws make absolutely no sense. That is true. Since the proponents are bound and determined to take up their version of what I call "alleged reform," before we get to the business of tax relief, the energy crisis, foreign policy, and national security concerns, not to mention a host of other pressing issues, it is time, certainly, to dispense with this issue. However, in so doing, let me remind my colleagues of our first obligation. That is to do no harm.

Senator HAGEL warned we must be careful not to abridge the rights of Americans to participate in our political system and have their voices heard. He understood and underscored the paramount importance of the first amendment to the Constitution, that being the freedom of speech.

Second, the Senator from Nebraska then emphasized we should not weaken our political parties or other important institutions within our American system. He stressed we should encourage greater participation, not less.

I want my colleagues and all listening to listen to Senator HAGEL.

I start from the fundamental premise that the problem in the system is not the political party; the problem is not the candidate's campaign; the problem is the unaccountable, unlimited outside moneys and influence that flows into the system where there is either little or no disclosure. That is the core of the issue.

On that, Senator HAGEL was right as rain on a spring day in Nebraska.

He went on to say political parties encourage participation, they promote participation, and they are about participation. They educate the public and their activities are open, accountable and disclosed. And, then he nailed the issue when he said:

"Any reform that weakens the parties will weaken the system, lead to a less accountable system and a system less responsive to and accessible by the American people.

"Why," Senator HAGEL asked, "Why do we want to ban soft money to political parties—that funding which is now accountable and reportable? This ban would weaken the parties and put more money and control in the hands of wealthy individuals and independent groups accountable to no one."

It makes sense to me, Senator.

Finally, Senator HAGEL warned the obvious. In this regard, I simply do not understand why Members of this body and the proponents of alleged reform—and all of the twittering media bluebirds sitting on the reform window-sill—are so disingenuous with the obvious. It seems to me either they are blinded by their own political or personal prejudice or they just don't get it or they just don't want to get it.

Senator HAGEL warned last week:

When you take away power from one group, it will expand power for another. I do not believe that our problems lie with candidates for public office and their campaigns. I believe the greatest threat to our political system today is from those who operate outside the boundaries of openness and accountability.

Three cheers for CHUCK HAGEL. He has shined the light of truth into the muddle of reform.

My colleagues, at the very heart of today's campaign law tortured problems are two simple realities that cannot be changed by any legislative cleverness or strongly held prejudice.

First, private money is a fact of life in politics. If you push it out of one part of the system it re-enters somewhere else within the shadows of or outside the law. Its like prohibition but last time around it was prohibition with temples, bedrooms, and labor union payoffs.

More to the point with members of this body deciding every session some two trillion dollars worth of decisions that affect the daily lives and pocket-books of every American, there is no way anyone can or should limit individual citizens or interest groups of all persuasions from using private money, their money, to have their say, to protect their interests, to become partners in government—unless of course you prefer a totalitarian government.

Second, money spent to communicate with voters cannot be regulated without impinging on the very core of the first amendment, which was written as a safeguard and a protection of political discourse.

We got into this mess by defying both of these principles with very predictable results. Lets see now, here is a reform, let us place limits on money spent to support or defeat candidates.

Whoops, those who want to have their say now run ads that are called issue advocacy, and we are running at a full gallop in that pasture—can't stop that expression of free speech; it is constitutionally protected, or at least it was until yesterday in Senator WELLSTONE's amendment. When my colleagues placed tight limits on contributions to candidates and called that reform, we went down the same trail again. Whoops, those who want to

have their say in a democracy began giving to political parties with unregulated soft money.

So now we have hard regulated disclosed and soft unregulated disclosed, and express advocacy and issue advocacy, and they are all wrapped up in a legalistic mumbo-jumbo that defies understanding or enforcement and has given reform and the Federal Election Commission a bad name.

My friends, this money-regulating scheme is bankrupt. Yet here we are again with the same medicine show, same horse doctor, and the same old medicine. But this time around we are to ban soft money given to political parties, and then to really make sure that works, we are going to restrict independent issue advocacy. We have solved the problem. Right? Wrong.

Whoops, instead of less money, we will have more—lots and lots of money. Pass McCain-Feingold, or the bill that is the underlying bill now, as amended, and interest groups will bypass the parties and conduct their own campaigns. Why give to individual candidates or their political party when you can run your own independent advocacy campaign, especially given the amounts of money these organizations have at their disposal? We are not talking thousands here, folks. We are talking millions. Talk about a negative ad Scud missile attack in 2002. I will tell you what. With this bill, there will be no party missile shield for those candidates trying to weather the storm.

This entire business reminds me of the times I would take my three children to a well-known fast-food pizza and entertainment center; I think it is called Chuck E. Cheese's. As I recall, for the price of one ticket, my kids would run amok from one game to the next, the favorite being called Whackamole, where kids would smack mole-like creatures whose heads popped out of dozens of mole holes. Smack one down, and another two would suddenly jump up. Well, campaign reform is a lot like Whackamole.

Well, not to worry now; we will fix that. Let's just add on another layer of reform. We will just limit ads that mention candidates within 60 days of an election. Now, last week, that ban was limited to corporations and unions and by groups they support if the ad was run on television and radio—not any mention of newspapers, posters, or billboards, just radio and television. Yesterday, in a fit of consistent unconstitutionality, we added another layer, making the ban apply to all groups. Thus, now the bill limits free expression.

Good grief, Mr. President. How in the world can we say we will improve the integrity of any political system by letting politicians restrict political speech? Can you imagine how everybody concerned will try to game the speech police?

By the way, there is an exemption for journalists. I used to be a journalist. Have we stopped to figure out who and

what is a journalist and how we will get around that loophole? That is another story altogether. Hello, ACLU. How many court cases, indeed?

What a deal. Pass this so-called reform and candidates will spend more time asking for contributions, the very thing they want to avoid, forced by the current low limits to beg every day. Our political parties will lose their main source of funds or become hollow shells, and if the speech controls are upheld, why, our political discussion will be both chilled and contorted. Of course, the real campaigns would be run by the special interests with independent expenditures rather than by the candidates and the parties.

My colleagues, we have a choice. We can continue to go down this road of one party basically trying to unilaterally disarm the other and destroying our two-party system and the first amendment in the process or we can really support something that truly deals with the real problems within our campaign finance laws, and that "something" is the legislation offered by my friend and colleague, Senator HAGEL.

His reform does three basic things:

First, he protects the first amendment to the Constitution and calls for full and immediate disclosure and identity.

Second, he addresses the basic reason that our campaign funds are going around, under, and over the public disclosure table today, the antiquated limit on the amount of contributions that citizens may give to candidates unchanged over two decades.

Third, he proposes a limit on soft money that is of concern to me, but at least it is semi-reasonable. I will accept the cap given the full disclosure and the increase of the amount of money that our individual citizens could and should be giving to candidates.

Finally, if we are truly serious about getting a reform bill passed, if we want a bill signed by the President as opposed to an issue, it might be a good idea to see if the base bill amended by Senator HAGEL would fit that description.

President Bush listed six reform principles:

First, protect the rights of individuals to participate in democracy by updating the limits on individual giving to candidates and parties and protecting the rights of citizen groups to engage in issue advocacy. Hagel passes; the underlying bill, as amended to date, does not.

Second, the President said we should maintain strong political parties. Hagel passes that test; the underlying bill without Hagel does not.

Third, the President said we should ban the corporate and union soft money. I don't buy that, but under Senator HAGEL, he does limit soft money.

Fourth, the President said we should eliminate involuntary contributions.

Hagel doesn't deal with that issue. The underlying bill as amended or, to be more accurate, as not amended, does not meet this criterion.

Fifth, require full and prompt disclosure. The Hagel bill meets this test.

Sixth, to promote a fair, balanced, and constitutional approach. Here, the President supports including a non-severability provision, so if any provision of the bill is found unconstitutional, the entire bill is sent back to Congress for further deliberation.

Well, we still have that issue before us. However, the bottom line is that if you want a campaign reform measure that President Bush will sign, you should support the measure I have cosponsored with Senator HAGEL.

There is one other thing. Too many times, common sense is an uncommon virtue in this body. Here we have a paradox of enormous irony. Legislation that is unconstitutional, that endangers free speech, that advantages independent special interests and the wealthy and that will cripple the two-party system and individual participation has been labeled and bookshelved by many of the hangers-on within the national media and the special interests that are favored in the legislation as being "reform." I just heard on national television before driving to work that reform was being endangered. What is endangering reform, on the other hand, is these same folks branding the effort by my colleague as a poison pill.

Well, colleagues and those in the media, all that glitters is not gold. All that lurks under the banner of reform is not reform. There are a lot of cacti in this world; we just don't have to sit on every one of them. McCain-Feingold, the current bill, is another ride into a box canyon. On the other hand, legislation I have cosponsored with CHUCK HAGEL is a clear, cold drink of common sense, a good thing to have on any reform trail ride.

I salute you, sir, and yield the floor.

Mr. HAGEL. Mr. President, I am overwhelmed with my colleague from Kansas. I note that the senior Senator from Arizona was taking note, making reference to all of his hangers-on friends.

Mr. MCCAIN. If the Senator will yield for a 10-second comment?

Mr. HAGEL. Yes.

Mr. MCCAIN. As usual, the Senator from Kansas illuminated, enlightened, and entertained all at once, and I enjoyed it very much.

Mr. HAGEL. If he passes the Senator's test, then we are making progress and we are grateful.

The Senator from Wyoming is present. I understand he would like to make some comments. I ask Senator THOMAS, how much time does he need?

Mr. THOMAS. I think 10 minutes, if that is satisfactory.

Mr. HAGEL. I yield 10 minutes to the senior Senator from Wyoming.

Mr. FEINGOLD. Mr. President, I ask unanimous consent, following the remarks of the Senator from Wyoming,

the Senator from New York be recognized for 15 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

The Senator from Wyoming is recognized for 10 minutes.

Mr. THOMAS. Mr. President, I thank Senator HAGEL for the time and also thank Senator HAGEL for the work he has put in on this bill. I supported this bill in the beginning, last year—I was an original cosponsor—because I think it deals with the issue that is before us, and deals with it in a way that is relatively simple, that we can understand, and does the things that, in the final analysis, we want to have happen.

I have the notion that after spending all last week and another week this week on this whole matter of campaign reform, it is not very clear as to what has been done, what is being suggested, where we will be when it is over, which is the most important thing. What is it that we would like to have happen? I must confess, it has been very confused. That is why I supported the Hagel bill; it makes it rather clear that it does the things we want to do. It ends up providing an opportunity for more participation in the election process and for a constitutional limit, if there are some limits, and the strong parties which, of course, is the way we govern ourselves.

First of all is the constitutional importance of free speech. That is the most important thing we have to protect. This country was founded on the principle that people could express themselves and express themselves in the political process and be able to participate in it.

Kids ask often: How did you get to be in politics? I can tell you how. I got involved in issues. I got involved in agriculture, in talking about the process. It became very clear as I worked in the Wyoming Legislature that politics is the way we govern ourselves. The decisions by the people are made in the political process, are passed through the governmental process, and that is how it works. That is how I became involved. I think it is a way many people have become involved and, indeed, they need to be involved that way.

The first amendment is based primarily on a premise that if free society is to flourish, there has to be unfettered access and willingness to participate. McCain-Feingold, I believe, has unintended consequences. It limits political expression, certainly specifically 30 days before the primary and 60 days before the general election. We had some amendments about that yesterday. We need to be very careful about that in terms of our ability to participate and our ability to exercise that right of ours that is constitutional—free speech.

The Supreme Court upholds laws which prevent “the appearance of corruption,” but surely that doesn’t mean the Congress ought to ban the freedom of speech. In fact, in the Buckley case:

Discussion of public issues and debate on the qualifications of candidates are integral to the operation of the system of government established by our Constitution. The First Amendment affords the broadest protection to such political expression in order “to assure the unfettered interchange of ideas for the bringing about of political and social changes desired by the people.”

That is what it is all about.

State parties would be limited. My background and involvement as I moved through this process was being active in the State party. I was secretary of our State party. State parties are out there to encourage people to participate, to organize in counties, to bring county organizations and chairmen and young people into the party to represent the views they share. That is what parties are for. To limit the opportunity for those parties to do those things seems to me to be very difficult.

Parties cannot, under this process, use already-regulated soft money for party building. I think that is wrong. McCain-Feingold, in my view, federalizes elections. We already allow for a mix of Federal and State funds to be used for basic participation. Parties would be able to assist challengers. We should not make it terribly advantageous to be an incumbent. There ought to be challengers so we can make changes. State parties do that.

These are the issues that are very important and we need to preserve them and we need to understand them. We need to be clear about it. It is my view that McCain-Feingold would decrease voter turnout, would decrease the interest in participation in elections. That is the strength of this country, for people to come together with different views and express those views in elections so the people, indeed, are represented. It would devastate the parties if McCain-Feingold were passed as it is proposed. It would devastate grassroots activity.

Political involvement ought not be limited only to professionals or people who have expert legal advice on the intricacies of Federal legislation.

I just came from a meeting with some folks who were talking about how difficult it is for trade associations to deal with people within their trade associations unless they get some kind of approval from the company and it can only last for 3 years and they can only do it in one company. Those are the kinds of restrictions that should not exist.

Frankly, I get a little weary of the corruption idea all the time, as if everyone in this Chamber votes because of somebody providing money. In my view and in my experience, you go out and campaign and tell people what your philosophy is, you tell people where you are going to be on issues, and they vote either up or down to support you. The idea that every time there is a dollar out there you change your vote is ridiculous. I am offended by that idea, frankly. I do not think it is the way it really is. In any event, McCain-Feingold fails on a number of

points. It presents constitutional roadblocks regarding speech and restricts State parties from energizing voters.

The Hagel bill deals clearly with many things. It increases the opportunity for hard money, brings it up to date for inflation. No. 2, it provides a limit to soft money at a level that can be controllable. Most important, it provides for disclosure. It provides the opportunity for voters to see who is participating in the financial aspect of it. Then they can make their decisions.

I think it is something that brings accountability to campaign finance. It is something the President will reform. I am very pleased to be a supporter of the Hagel bill. I urge my friends in the Senate to support it as well.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the senior Senator from New York is recognized for up to 15 minutes.

Mr. SCHUMER. Mr. President, I rise in strong opposition to the amendment offered by Senator HAGEL to deal with soft money, not by banning it, as the McCain-Feingold bill does, but by capping donations to national parties at \$60,000 per year per individual. Worse still, not only does this amendment set an awfully high cap for soft money, it would not limit soft money when given to State parties, even when the obvious purpose is to influence Federal elections.

Let me say right off the bat that I commend Senator HAGEL for his effort in this area. He is sincerely concerned about the mess that our campaign finance system has become and has offered the solution he believes is the best one. His integrity and his sincerity in offering this amendment are unquestioned by just everybody in this Chamber.

But in my judgment, and with all due respect to my friend from Nebraska, his amendment falls far, far short of what is needed to clean up our campaigns. This proposal is to reform what Swiss is to cheese: It just has too many holes. Enacting it would be worse than doing nothing, in my judgment, for the simple reason that it would carry the stamp of reform and lead the public to expect a better system while failing to live up to the label.

Should Hagel become law—which I hope it does not—people will say a year after: They tried it. They tried to do something and it failed. And you can’t do anything.

Their cynicism, their disillusionment with the system, will actually increase, despite the sincere effort of the Senator from Nebraska.

The main problem with the amendment is how it treats soft money. Imagine that candidate Needbucks wants to run for the Senate. The election is 2 years away. He goes to his old friends, John and Jane Gotbucks, who have done quite well in the booming economy of the last 8 years, and asks them to donate soft money to the party.

Under the Hagel amendment, Mr. and Mrs. Gotbucks can give \$240,000 in soft money—\$60,000 limit per person, \$240,000 per couple per cycle. Under McCain-Feingold, that would not be allowed.

But that is not everything. Throw in the \$300,000 in hard money that John and Jane can give under this amendment, and you know what they say: Pretty soon we are talking about real money. The total that a couple can give is \$540,000 in hard and soft money to a candidate under the Hagel legislation.

Mr. President, \$540,000 a couple limits? That is reform? Give me a break. In fact, that is the kind of money that can't help but catch the gimlet eyes of our friend, candidate Needbucks, and his party.

Let's suppose, in addition, that John and Jane Gotbucks happen to run a corporation. The Hagel amendment would allow their corporation, and all others like it, to give legitimate, regulated money to the parties for the first time since the horse was the dominant mode of transportation and women couldn't even vote. We are allowing corporate money back into the system after nearly 100 years when it was not allowed.

Maybe it is instructive to remember how all this came about. In 1907 Teddy Roosevelt was burned by revelations that Wall Street corporations had given millions to his 1904 campaign. Of course, one of his famous wealthy supporters, Henry Clay Frick, came to despise Roosevelt for his progressivism and commented, "We bought the S.O.B. but he didn't stay bought."

But Teddy Roosevelt rose above the scandal and, as he so often did, blazed the trail of reform. He signed the Tillman Act, which outlawed corporate contributions, into law.

And now, for the first time in a century, this amendment would take us back to the Gilded Age when corporate barons legally—legally—could give money directly to political parties.

My friend from Nebraska may say his amendment isn't perfect but at least it keeps most of this corporate and union soft money out of the system. But even that modest claim really isn't accurate. Public Citizen has analyzed the \$60,000 cap in the Hagel bill and determined that 58 percent of soft money given to the national parties in the 2000 election cycle would be permitted under these caps.

Even if this were pass-fail, 42 percent is an F. And we have not even reached the worst part of this amendment yet. Bad as it is to allow soft money in \$120,000 increments rather than get rid of it, the amendment would do absolutely nothing to limit soft money flowing to the State parties.

In short, the Hagel amendment is like taking one step forward and two steps back—a step forward in terms of some limits, two steps back in terms of corporate contributions and soft money to parties. One step forward,

two steps back. My colleagues, we are not at a square dance; we are dealing with serious reform.

The public is clamoring for us to do something. The Hagel bill is so watered down, has so many loopholes in it, it is like Swiss cheese that, again, you may as well vote for no reform at all, in my judgment.

If you tell our friends, our givers, Mr. Gotbucks and his company, that they can only give the minuscule sum of \$60,000 a year to the national parties but they can give unlimited amounts to State parties for use in Federal elections, what do you think their lawyers are going to tell them to do? And when State parties get that money, they will use it to run issue ads, to get out the vote, and do other things that clearly benefit Federal candidates, just as they do now.

Let's not forget how this works.

Just last year, as then-Governor Bush was gearing up his run for the nomination, he set up a joint victory fund with 20 State Republican parties. This fund raised \$5 million for then-candidate Bush that was meant to be used in the general election. The fund took in soft money contributions ranging from \$50,000 to \$150,000 from wealthy individuals and their families. This scheme, clearly intended to legally get around the limits, would continue unabated and could actually increase under the amendment that my friend from Nebraska has proposed.

In short, regulating soft money without dealing with the soft money that goes to State parties is like the person who drinks a Diet Coke with his double cheeseburger and fries: It does not quite get the job done.

It isn't enough to say the States will regulate soft money on their own. Mr. President, 29 States allow unlimited PAC contributions to State parties, 27 States allow unlimited individual contributions to State parties, and 13 States allow unlimited corporate and union contributions to State parties. So the notion that States will take care of soft money at the State level just does not stand up. There is no evidence that they will.

So then, if this amendment is so filled with holes, if it is, indeed, the original Swiss cheese amendment, why is it being proposed?

Well, the proponents, including my good friend from Nebraska, say they are concerned that banning soft money will doom our parties and drive all of the money now sloshing around our campaign system into the hands of independent and unaccountable advocacy groups who will run ads and engage in other political activity.

In the first place, there is a glaring inconsistency at the heart of this argument. On the one hand, opponents of McCain-Feingold—such as the Senator from Kentucky, who has led the fight against reform for many years—say they cannot support the bill because it treads on free speech. On the other hand, they say we do not dare enact

the bill because then all of these outside groups will be using their first amendment rights in speaking out instead of the parties. And now on the third hand they say, well, we have always said regulating soft money is unconstitutional, but now we support capping soft money.

That is like being a little bit pregnant. You either exalt the first amendment above everything else and say there should be no limits or you don't and you support real reform like my friends from Arizona and Wisconsin have propounded.

As the New York Times put it this morning, my colleague from Kentucky "has flipped. He cannot now clothe himself in the Constitution in opposing real reform" as long as he votes for the Hagel amendment.

For my part, I agree with Justice Stevens, who said *Buckley v. Valeo* got it wrong. "Money is property—it is not speech," he wrote in a decision last year.

The right to use one's own money to hire gladiators, or to fund speech by proxy, certainly merits significant constitutional protection. These property rights, however, are not entitled to the same protection as the right to say what one pleases.

The more important response to this amendment, however, is not to point out the proponents' contradictions on the first amendment but to chide them for greatly exaggerating the demise of our political parties.

Soft money isn't the cure for what ails the parties; it is the disease. All of us in this business know the parties have become little more than conduits for big money donations by a privileged few. The parties do not have any say. They are simply mechanisms which people who want to give a lot of money go through to make it happen. If we keep going down this road, we risk that parties will become empty shells. They are so busy channeling money in large amounts that they do not do the get out the vote and the party building and the educating that parties should do and did do until this soft money disease afflicted and corroded them, as it does our entire body politic.

The reality is, banning soft money will be good for our political parties, not bad. Banning soft money will strengthen our parties by breaking their reliance on a handful of super-rich contributors and forcing them to build a wider base of small donors and grassroots supporters.

Let me quote the former chairman of the Republican Party, William Brock:

In truth, the parties were stronger and closer to their roots before the advent of this loophole than they are today. Far from reinvigorating the parties themselves, soft money has simply strengthened certain specific candidates and the few donors who make huge contributions, while distracting the parties from traditional grassroots work.

The fact is, the parties in this country got along just fine without soft money in the 1980s, before this form of funding exploded, to say nothing of their 200-year history before that.

Is my friend from Nebraska saying the great two-party tradition in this country, which is one of the main causes of our political stability and the envy of the rest of the world, rests on the thin read of soft money contributions? I hope not. Let me tell the Senate, if that is true, then we are way too late in terms of strengthening the parties.

Ultimately, the basic premise of Senator HAGEL's argument, which is that the donors who now give soft money to the parties will simply shift it to existing independent groups, is also way off base. Corporations and unions won't be able to just run their own ads favoring a candidate in lieu of giving soft money or get 501(c)(4) groups to run the ads for them because the bill prohibits campaign ads by corporations and labor within 60 days of an election. As Charles Kolb, president of the Committee for Economic Development, a business group supporting reform, has said:

We expect that most of the soft money from the business community will simply dry up.

Corporations that find it easy to give to a party are not going to set up their whole elaborate mechanism to try to get around reform. A few will; most won't.

It is true that individuals will be able to make independent expenditures supporting campaigns, but how many of them will really do that? Writing a fat check to the party is vastly easier than trying to run an ad or organize voters. As Al Hunt wrote in the Wall Street Journal last week:

The notion that Carl Lindner or Denise Rich is going to be heavily into issue advocacy is comical.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. SCHUMER. Mr. President, I ask the Senator to yield me an additional 3 minutes.

Mr. DODD. I yield 3 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. SCHUMER. We all know that people such as Johnny Chung aren't giving for ideological reasons. They are giving because to them our Government works "like a subway—you have to put in coins to open up the gate."

But, of course, at the end of the day there is nothing we can do to stop independent political spending by individuals. That is clearly protected by the first amendment. The important point is that after this bill passes, any individuals or outside groups who want to support Federal candidates won't be able to coordinate their expenditures with candidates. They will have to go at it alone, if they really want to, without the key information they need about strategy and timing that make an ad campaign effective. So let them do it. The wall against coordination will go a long way to keeping out special interest influence and is a vast improvement over the current system giving directly to the parties.

Mr. President, I quote the words of someone who has invested a lot in this debate, someone who cares about reform, someone I greatly respect. Last year that person said:

The American people see a political system controlled by special interests and those able to pump millions of dollars, much of it essentially unaccountable and defended by technicality and nuance. As our citizens become demoralized and detached because they feel they are powerless, they lower their expectations and standards for Government and our officeholders.

I completely agree with that speaker whose name was CHUCK HAGEL. If we agree that pumping millions of unaccountable dollars into the system threatens public confidence, which is the lifeblood of any democracy, we have to do something serious about it. We cannot say we are reforming when a couple can give \$540,000 through soft and hard money to a candidate. That is not reform. That will not, I am afraid, bolster people's confidence in the system.

I am afraid the Hagel amendment is more words than action. While the system continues its long agonizing slide into greater and greater dependence on the most fortunate few, if we simply pass Hagel, we will do nothing to stop that slide. I urge defeat of the Hagel amendment and support of the original McCain-Feingold effort.

Mr. President, I yield my remaining time to the Senator from Connecticut.

Mr. DODD. Mr. President, I yield 1 minute to the Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senator from New York. We have had some rivalries when it comes to the dairy industry. I appreciate the use of the Swiss cheese analog. As a Cheesehead from Wisconsin, that is the most persuasive thing he could possibly use.

Senator SCHUMER has brought forth the absolutely basic point. First of all, under the Hagel amendment, corporate and union treasuries will be writing direct checks to the Federal parties, something we have never allowed.

Secondly, every dime of soft money that is currently allowed can just come through the State parties back to the Federal parties. No reform.

Third, when it comes to the limits that are raised, both soft and hard money under the Hagel amendment, any couple in America can give \$540,000 every 2 years.

Finally, under the Hagel amendment, there is no prohibition on officeholders and candidates from raising this kind of money.

Those are four strikes against the bill, and you only need three.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield up to 10 minutes to my friend and colleague, the distinguished Senator from Nebraska, Mr. NELSON.

Mr. NELSON of Nebraska. Mr. President, I thank my colleague from Nebraska for the opportunity today to extend my full support for campaign fi-

nance reform. Again, I convey my sincere appreciation for the work of Senators MCCAIN and FEINGOLD and Senator HAGEL, as well as all of my colleagues who are involved in this effort to reform the campaign finance system.

As a veteran of four Statewide campaigns myself, and as a newly elected Senator fresh from the campaign trail, I believe, as many of my colleagues do, that the current campaign finance laws are, in a word, "defective."

Our country was founded on principles such as freedom and justice. As I see it, the present system for financing Federal campaigns undermines those very principles.

I believe that in its present form the campaign finance system tends to benefit politicians who are already in office. Some folks call it incumbent insurance. I prefer to call it a problem. Thus, I wholeheartedly believe the time has come for meaningful campaign finance reform.

There is an old adage we all know that goes: Don't fix it unless it is broken. Well, many aspects of our campaign finance system today are broken, and they do need fixing.

Before us today we have several legislative remedies for this flawed system. Not one, though, as far as I am concerned, is a panacea for the maladies afflicting our current campaign finance laws, nor can they be. Both the McCain-Feingold bill and the Hagel bill include provisions which I support. I am a cosponsor of Senator HAGEL's legislation because I am particularly sympathetic to the bill's provision to limit soft money contributions rather than prohibit them.

In an effort to pinpoint the culprit for the faults in the present campaign finance system, I believe soft money has become the scapegoat. As my friend from Louisiana pointed out last night, there is a popular misconception that the McCain-Feingold bill bans all soft money. This is not accurate. McCain-Feingold bans only soft money to the political parties.

While I agree that unlimited soft money contributions raise important questions, I also believe that banning soft money to the parties would only be unproductive and ultimately ineffective. Chances are, if we succeed in blocking the flow of soft money from one direction, it will eventually be funneled to the candidates from another. Furthermore, some soft money contributions are used for valuable get-out-the-vote efforts and for the promotion of voter registration and party building, all very valuable efforts that promote our system.

A more realistic approach in lieu of banning soft money would be to cap the contributions at \$60,000, as prescribed by the Hagel bill. Thus, I favor the provision to limit soft money in Senator HAGEL's bill. Also, I strongly support the provisions on disclosure outlined in McCain-Feingold, that are also included in the Hagel amendment.

A lack of accountability within the current system is at the core of the problem. As a matter of fact, if we could enact substantive changes to disclosure laws and remove the facades which special interest groups hide behind, we, at the very least, will be heading in the right direction. This action to increase disclosure, combined with limitations on soft money contributions, will not only refine our current system, but will reform it.

As an individual who spent the majority of the past year on the campaign trail, I have put a great deal of thought into what I believe is the right direction for campaign finance reform. My Senate race has made me all too familiar with the shortcomings of the current system. My campaign experience with one group in particular has bolstered my support for efforts to limit so-called issue ads. This organization funded by undisclosed contributors ran soft-money issue ads throughout my campaign criticizing my stance on one issue, which was unrelated and irrelevant to their purported cause.

Unfortunately this is not the only example of issue-ad tactics I encountered during my most recent campaign. So it only follows that I am pleased with the Snowe-Jeffords provision, which addresses these so-called issue ads funded by labor and corporations. This provision will hold labor and corporations more accountable for these ads by imposing strict broadcasting regulations and increasing disclosure requirements.

I was very encouraged last night by the passage of Senator WELLSTONE's amendment, which expands the Snowe-Jeffords provision to also cover the ads run by special interest groups, whose sole purpose is to mislead voters. This leads me to my final point and the reason why I have come to the floor this morning. I want to express my strong support for this Hagel amendment we are currently debating. The passage of this amendment is crucial for the improvement of our campaign finance system. I commend Senator HAGEL for introducing a measure that realistically addresses soft money contributions. Additionally, the Hagel amendment does not supersede the critical aspects of McCain-Feingold—most notably the Snowe-Jeffords, and now Wellstone, issue-ad provisions, which are imperative if our goal is true reform. The Senate has the opportunity to repair our flawed campaign finance system. And if we don't seize the moment and take action now, it will always be a flaw in our democracy.

Again, I commend my colleagues on their efforts, and I am hopeful that we will succeed in approving this amendment and ultimately in approving a meaningful campaign finance reform package this session.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. How much time remains?

The PRESIDING OFFICER. There are 54 minutes remaining.

Mr. DODD. I yield 15 minutes to my colleague from Massachusetts, Senator KERRY.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I thank the ranking member of the Rules Committee. I join my colleagues in opposing the Hagel amendment, and I do so reluctantly on a personal level, but not on a substantive level. I have enjoyed working with the Senator from Nebraska on many issues. I respect and like him.

I regret to say that the amendment he brings to the floor today is simply not reform. I should say that again and again and again. It is not reform. It is not reform.

You don't have reform when you are institutionalizing for the first time in history the capacity of soft money to play a significant role in the political process, when the McCain-Feingold goal and objective, which I support, is to eliminate altogether the capacity of soft money to play the role that it does in our politics. So it goes in the exact opposite direction.

I will come back to that in a moment because I want to discuss for a moment where we find ourselves in this debate and really underscore the stakes in this debate at this time.

Last night, I voted with Senator WELLSTONE, together with other colleagues who believe very deeply in a bright-line test and in the capacity to have a constitutional method by which we even the playing field. I regret that some people who oppose the bill also chose to vote with Senator WELLSTONE because they saw it, conceivably, as a means of confusing reform and creating mischief in the overall resolution of this issue which Senator FEINGOLD and Senator MCCAIN have brought before the Senate.

Let me make it clear to my colleagues, to the press, to the public, and to people who care about campaign finance reform, the next few votes that we have on this bill are not just votes on amendments, in my judgment; they are votes on campaign finance reform. They are votes on McCain-Feingold itself. There will be a vote on the so-called severability issue which, for those who don't follow these debates that closely, means that if one issue is found to be unconstitutional, we don't want the whole bill to fall. So we say that a particular component of the bill will be severable from the other components of the bill, so that the bill will still stand, so that the reforms we put in on soft money, or the reforms we put in on reporting, or the reforms we put in on the amounts of money that can be contributed, would still stand even if some other effort to have reform may fall because it doesn't pass constitutional muster.

Now, opponents of this bill, specifically for the purpose of defeating McCain-Feingold, specifically for the purpose of creating mischief, will come to the floor and say: We don't want any

severability. The whole bill should fall if one component of it is found unconstitutional, which defeats the very purpose of trying to put to a test a new concept of what might or might not pass constitutional muster. It is not unusual in the Senate for legislators, many of whom are lawyers, to make a judgment in which they believe they have created a test that might, in fact, be different from something that previously failed constitutional tests.

And so, as in this bill, we are trying to find a way to create a playing field that is fair, Mr. President. Fair. Many people in the Senate legitimately believe that it is not fair to have a limitation on corporations and unions, but then push all the money into a whole series of unregulated entities that will become completely campaign oriented and, in effect, take campaigning out of the hands of the candidates themselves. They won't be regulated at all, while everybody else is regulated.

That is what Senator WELLSTONE and I and others were trying to achieve last night—a fairness in the playing field. I understand why Senator FEINGOLD and Senator MCCAIN object to that. I completely understand it. They want fairness. They understand that that is important to the playing field, but they have tried to cobble together a fragile coalition here that can hold together and pass campaign finance reform.

Some people suggest they would not be part of that fragile coalition if indeed they were to embrace this other notion of a fair playing field. However, the Senate is the Senate. It is a place to deliberate, a place for people to come forward and put their ideas, legislatively, before the judgment of our colleagues.

Last night, the Senate worked its will, albeit, as in any legislative situation, with some mischief by some people who seek to defeat this. But we are in a no worse position today than we were before that amendment passed last night, because if we defeat the notion that this should be non-severable, we can still go out of the U.S. Senate with legislation and we still can put this properly to test before the Supreme Court, which is, after all, the business of our country.

That is the way it works. Congress passes something, and the Supreme Court decides whether or not it is, in fact, going to meet constitutional muster.

That said, I believe it is vital for us to proceed forward on these next votes with an understanding of what is at stake. The Hagel amendment would gut McCain-Feingold. Effectively, the vote we will have this morning will be a test of whether or not people support the notion of real campaign finance reform and of moving forward.

Let me say a few words about why the amendment Senator HAGEL has offered really breaches faith with the concept of reform itself.

The Hagel amendment imposes a so-called cap on soft money contributions of \$60,000. That would be the first time

in history the Congress put its stamp of approval on corporate and union treasury funds being used in connection with Federal elections. The Hagel amendment would legitimize soft money, literally reversing an almost century-long effort to have a ban on corporate contributions and the nearly 60-year ban on labor contributions. That is what is at stake in this vote on the Hagel amendment.

The Hagel amendment would institutionalize a loophole that was not created by Congress, but a loophole that was created by the Federal Election Commission.

Worse—if there is a worse—than just putting Congress' seal of approval on soft money is the impact the amendment would have on the role of money in elections. What we are seeking to do in the Senate today is reduce the impact of money on our elections.

I will later today be proposing an amendment that I know is not going to be adopted, but it is an amendment on which the Senate ought to vote, which is the best way to really separate politicians from the money. I will talk about how we will do that later. It is a partial public funding method, not unlike what we do for the President of the United States.

George Bush, who ran for President, did not adhere to it in the primaries, but in the general election he took public money. He sits in the White House today partly because public funding supported him. Ronald Reagan took public money. President Bush's father, George Bush, took public money. They were sufficiently supportive of that system to be President of the United States, and we believe it is the cleanest way ultimately to separate politicians from the money.

That is also what we are trying to do in the McCain-Feingold bill. It does not go as far as some would like to go, but it may be the furthest we can go, given the mix in the Senate today. It seeks to reduce the role of influence of money in the American political process.

The Hagel amendment would actually undo that and reverse it. It would enable a couple to contribute \$120,000 per year, \$240,000 per election cycle, to the political parties. In the end, the Hagel amendment would allow a couple to give more than \$500,000—half a million dollars—per election cycle to the political parties in soft money and hard money combined.

We have heard the statistics. Less than one-half of 1 percent of the American population give even at the \$1,000 level. Let me repeat that. Less than one-half of 1 percent of all Americans give even at the \$1,000 level, and here is the Hagel amendment which seeks to have the Senate put its stamp of approval on the rich, and only the rich, being able to influence American politics by putting \$500,000 per couple into the political system. That increases the clout of people with money, and it reduces the influence and capacity of

the average American to have an equal weight in our political process.

Looked at another way, the amendment would allow five senior executives from a company to give \$60,000 per year for a total of \$300,000 of soft money annually. That could be combined with an additional \$60,000 straight from the corporate treasury. That is hardly the way to get money out of politics.

Even with its attempted cap of soft money, the Hagel amendment leaves open a gaping loophole through which unmonitored soft money can still flow. It does nothing to stop the State parties from raising and spending unlimited soft money contributions on behalf of Federal candidates.

It is absolute fantasy to believe the State parties are not, as a result of that, going to become a pure conduit for the money that flows in six-figure contributions from the corporations or the labor unions or the wealthiest individuals.

It simply moves in the wrong direction. It codifies forever something we have restricted and prevented. It is the opposite of reform. It undoes McCain-Feingold, and I urge my colleagues to keep this reform train on its tracks. We need to complete the task, and we must turn away these efforts to overburden this bill or to directly assault its fundamental provisions.

I yield back whatever time remains to the manager.

THE PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield to my friend and colleague, the distinguished Senator from Tennessee, 10 minutes.

THE PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise in support of the Hagel amendment and would like to take a few minutes to paint the larger picture of where we are in campaign finance and show the critical importance, I believe, of adopting this amendment today, especially in light of what I hope to have a chance to do later this week, which is to talk a little bit more about the effects of the McCain-Feingold legislation.

I stress now the absolutely critical importance of adopting the Hagel amendment really for three reasons. I will come back to these charts because they give an overall perspective that I found very useful in talking to my colleagues and in talking to others to understand the complexities of campaign finance and the critical importance of maintaining a balance between Federal or hard money and soft or non-Federal money.

The Hagel amendment really does three things: No. 1, it gives the candidate more voice; yes, more amplification of that voice. I think that is what bothers most people. If we look at the trend over the last 20 years, that individual candidate, Joe Smith, over the years has had a voice which stayed

small and has been overwhelmed by the special interests, the outside money coming in, the unions, to where his voice has gotten no louder.

There is nothing more frustrating than to be an individual candidate and feel strongly about education, health care, the military, and say it on the campaign trail, but have somebody else giving a wholly different picture because you have lost that voice over time. The Hagel amendment is the only amendment to date that addresses that loss of voice over time.

No. 2, disclosure. Most people in this body and most Americans, I believe, understand the critical importance of increased disclosure today. What makes people mad is the fact that money is coming into a system and nobody knows from where it is coming. In fact, we saw in past elections the amount of money that came from overseas. It comes through the system and flows out, and nobody knows where it is going or who is buying the ads on television. How do you hold people accountable?

Those are what really make people mad: No. 1, the candidate has no voice; No. 2, the lack of accountability of dollars coming into the system and out of the system.

Does that mean we have to do away with the system? I do not think so. We have to be very careful how we modernize it and reform it, but let us look at the candidate's voice and let us look at disclosure.

The fundamental problem we talked about all last week, money in politics—is it corrupt, is it bad, is it evil? I say no, that is not the problem. I come back to what the problem is—the candidate, the challenger, the incumbent does not have the voice they had historically.

Let me show three charts. They will be basically the same format. It is pretty simple. There are seven funnels that money, resources, can be channeled through in campaign financing. I label the chart "Who Spends the Money?" I will have these seven funnels on the next three charts.

First, I have Joe Smith, the individual candidate who is out there campaigning. I said his, or her, voice over time has been diminished. Why? Because you have all of these other funnels—the issue groups: We talked about the Sierra Club, the NRA, the hundreds of issue groups that are out there right now spending and overwhelming the voice of the individual candidate.

Why does the individual candidate not have much of a voice today, relatively speaking? We see huge growth in these three funnels—corporations, unions and issue groups—but we have contained for 26 years, since the mid-1970s, how much this individual candidate can receive from an individual or from a PAC. We have contained the voice but have seen explosive growth in certain spending.

What makes the American people mad is indicated across the top. Individual candidates is one way for money

to come to the system; political action committees is a very effective way. The parties in the box, the Republican Party, the Democratic Party, and other parties can raise money two ways: Federal dollars and non-Federal dollars. Notice all of this money in the yellow and green is "disclosed." The American people want to know where the money comes from and where it goes. This is all disclosed. There is control over that.

However, the explosive growth has occurred in corporations, unions, and issue groups. The problem—and the American people are aware of this, and we have to fix it—there is no disclosure. Nobody knows from or to where money is coming and going. I should add there is money coming into the system from overseas and China. We have to address disclosure.

The contribution limits right now apply just to the individual candidates. An individual can only give so much to an individual candidate. A PAC can only receive so much and give so much.

With the party hard money, the Federal money, again, there are contribution limits. Some people argue, as Senator HAGEL argues: Let's fix this and address the disclosure issue. The Hagel amendment does that. Let's address contributions limits; instead of stopping here with individual candidates, PACs and party hard money, extend it so that all of the party, the hard and the soft money, has contribution limits.

I said I will use the seven funnels from the chart. Money flows into the system at the top and goes out of the system below, the problem being the individual candidates do not have much of a voice.

The next chart looks complicated, but it is useful for understanding from where the money comes. I show how money flows into the funnel. On the left side of the chart, the funnels are the same. There are seven ways money gets to the political system. The problem is the individual candidate's voice has not been amplified in 25 years. We have to fix that, and we can, through the Hagel amendment.

Individuals can give to individual candidates. PACs can give to individual candidates, such as Joe Smith out there. Party hard money, the Republican Party, the Democratic Party, independent, they can give to individual candidates, and that is the only way an individual candidate can receive money to amplify his or her voice.

PACs can receive money from individuals, but they can also receive money, or be set up by corporations through sponsorships, by unions through sponsorships, and issue groups can establish PACs.

I happen to be chairman of the National Republican Senatorial Committee, and I can receive money as part of the senatorial committee from PACs, from individuals, party non-Federal money from individuals, but also

corporations, unions, and issue groups can give party soft money.

Corporations receive money from earnings, and unions receive money from union dues. We tried to address this. I think it needs to be addressed.

Now straight to the Hagel amendment. There is not enough of a voice here. Contribution limits probably are too narrowly applied, and we need to move them over.

No. 3, we don't have enough in terms of disclosure. This is what the Hagel-Breaux amendment does and why it is absolutely critical to maintain balance in the system.

Next, disclosure and no disclosure. In this area, the Hagel amendment increases disclosure by requiring both television and radio media buys for political advertising to be disclosed. You would be able to know who, on channel 5 in Middleton, TN, purchased ads and for whom they purchased those ads. Again, much improved disclosure on this side.

Contribution limits: Party soft money had no contribution limits. Under the Hagel amendment, there is a cap, a limit on how much an entity contributes to the Republican Party or to the Democratic Party or to the Republican Senatorial Committee or to the Democratic Senatorial Committee. The contribution limits have been extended.

Third, and absolutely critical if we agree that the individual candidate's voice has been lost by this input on the right side of my diagram, we absolutely must increase the hard dollar limits, how much individuals can give individual candidates and how much PACs can give individual candidates. It has not increased in 26 or 27 years, since 1974. It has not been adjusted for inflation. If it is adjusted for inflation, you come to the numbers that Senator HAGEL put forward, the \$3,000.

It increases the voice of the individual candidate. If you increase the voice of the individual candidate, you return to that balance where the candidate Joe Smith out there all of a sudden has more of a voice, again, with contribution limits.

An additional advantage is a challenger out there or an incumbent will have to spend less time. Now it requires so much money to amplify that voice of the candidate out there trying to get \$1,000 gifts from hundreds and hundreds of people at 1974 levels; only worth about \$300 today in terms of value, it lets you spend less time on the campaign trail doing that.

In summary, I urge support of the Hagel amendment because it addresses the fundamental problems we have in our campaign system today. Not that money in and of itself is corrupt or even corrupting, but the fact is that the individual candidate does not have sufficient voice. The Hagel amendment raises those limits from both individuals and PACs. It addresses the issue of soft money coming into the party system by capping soft money given by

both individuals as well as other entities coming into the system at a level of \$60,000. It improves disclosure by requiring television and radio media buys for political advertising to be fully and immediately disclosed.

I urge support of this amendment. I know it will be very close. I hope this placement of balance, this understanding of balance, will in turn attract people to support this amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. If the Chair will notify me when 10 minutes expires.

I say to my colleague from Tennessee, his chart looks like a chart made up by a heart surgeon. It looks like a pulmonary tract following various arteries and capillaries.

Let me repeat what I said last evening to my friend from Nebraska. I have great respect for him, as I do the junior Senator from Nebraska, the Presiding Officer. I disagree with them on this amendment.

There is a fundamental disagreement here. Aside from the mechanics of the amendment and how much hard money is raised and how much soft money you cap and who gets disclosed or not disclosed, it seems to me to be an underlying, fundamental difference in not only this amendment but others that have been considered and will be considered. That underlying difference is whether or not you believe there is too much money already in politics or not.

If you subscribe to the notion that politics is suffering from a lack of money, then the Hagel amendment or various other proposals that will be offered are your cup of tea. I think that is the way you ought to go. If you truly think there is just not enough money today backing candidates seeking public office, truly you ought to vote for this amendment or amendments like it. If you believe, as I do as many Members on this side that there is too much money in the process—that the system has become awash in money, with candidates spending countless hours on a daily basis over a 6-year term in the Senate, over a 2-year term in the House, literally forced to raise thousands of dollars every day in your cycle to compete effectively in today's political environment then you believe as I do that we must move to put some breaks on this whole money chase.

It has been pointed out in my State, the small State of Connecticut, you have to raise something like \$10,000 almost daily in order to raise the money to wage an effective defense of your seat or to seek it as a challenger. In California, in New York, the numbers become exponentially higher. I happen to subscribe to the notion that we ought to be doing what we can to slow this down, to try to reduce the cost of these campaigns and to slow down the money chase that is going on. But all these amendment are just opening up more spigots, allowing more money to flow into a process that is already nauseatingly awash in too much money. I

believe that, and I think many of my colleagues do as well. I know most of the American public does.

If you want to know why we are not getting more participation in the political process, I think it is because people have become disgusted with it. Today it is no longer a question of the people's credibility or people's ability, but whether or not you have the wealth or whether you have access to it.

My concerns over the Hagel amendment are multiple. First of all, as has been pointed out by Senators FEINGOLD, SCHUMER, and KERRY, and others who have spoken out on this amendment, this is codifying soft money by placing caps on it. Caps which we all know are rather temporary in nature. Caps that are only to be lifted. So even if you subscribe to the notion that you are going to somehow limit this, the practical reality is we are basically saying we ought to codify this. That as a matter of statute, soft money ought to be allowed to come into the process, most of it unlimited, unregulated, and unaccountable. I think that would be a great mistake.

We are allowing a \$60,000 per calendar year cap on soft money contributions from individuals to the national parties. It would be the first time in literally almost 100 years, since 1907, when Teddy Roosevelt, a great Republican reformer, thought there was just too much money coming out of corporations into politics. So Congress banned it. It was one of the great reforms of the 20th century in politics.

For the first time since 1943, with the passage of the Smith-Connally Act, and again in 1947 with the passage of the Taft-Hartley Act, Congress would be allowing the use of union treasury money in Federal elections. For almost 60 years we banned such funds from unions, almost 100 years from corporations. Now we are about to just undo all that. We are suggesting that we allow it up to \$60,000 per year. We will cap that right now in the Hagel bill, but there are also proposals here that would allow for indexing the hard money limits for future inflation.

It is stunning to me we would include the indexed for inflation factor in politics. We index normally in relationship to the consumer price index, for people on Social Security or for people who are suffering, who are trying to buy food, medicine, clothes or pay rent, so we index it to allow them to be able to meet the rising cost of living. We are now going to index campaign contributions so the tiny minority of wealthy Americans can give more than \$1,000—in this case, \$3,000 per election or \$6,000 per election cycle. Such indexing will enable the wealthy to have a little more undue access and influence in the political process.

That is turning the consumer price index on its head. The purpose of it was to help people who are of modest incomes to have an increase in their benefits to meet their daily needs. We are now going to apply it to the most afflu-

ent Americans. Those contributors who want more access and more control in the political process will get the benefit of the consumer price index. That, to me, is just wrong-headed and turning legitimate justification for such indexing on its head.

The hard money provisions are also deeply disturbing to me. Here we are going to say that no longer is a \$1,000 per election limit the ceiling. We are going to raise that per election limit. Under the Hagel amendment, the individual hard dollar limit for contributions to candidates has been increased to \$3,000 per election. This means an individual may contribute \$6,000 per election cycle. A couple could contribute double, or \$12,000 per election cycle.

Let me explain this to people who do not follow the minutiae of politics. All my colleagues and their principal political advisers know this routinely. There we say \$3,000 per individual per election. What we really mean is that an individual may contribute \$6,000 per election cycle, because it is \$3,000 for the primary and another \$3,000 for the general election. Normally when we go out and solicit campaign contributions we do not limit it to the individual. We also want to know whether or not their spouse or their minor or adult children would like to make some campaign contributions. As long as such contributions are voluntary, then those individuals may contribute their own limit, all the way up to the maximum of \$6,000 per year.

So here we are going from \$1,000 or \$2,000—because the ceiling is really not \$1,000, it is a \$2,000 contribution that an individual may make to both a primary or general election—and we are now going to pump this up to \$6,000 per year. Basically, that is what it works out to be. It could also be \$12,000 per year for a couple. How many people get to make these amounts of contributions?

I find this stunning that we are talking about raising the limit because we are just impoverished in the process. It is sad how it has come to this, that we are hurting financially. A tiny fraction of the American public—it has been pointed out less than one-quarter of 1 percent—can make a contribution of \$1,000 per election. Last year, 1999–2000, there were some 230,000 people out of a nation of 80 million who wrote a check for \$1,000 as a contribution for a campaign; a quarter of a million out of 280 million people actually made contributions for \$1,000.

There were about 1,200 people across the country who gave \$25,000 annual limit. That is the present cap, by the way under current law.

Let me go to the second case. Under present law, you can give a total of \$25,000 per year. Again, I apologize to people listening to this. There are actually people out there who write checks for \$25,000 to support Federal candidates for office. Understand, we think this is just too low. This is just too low. We are struggling out here; I

want you to know that. We are impoverished. We need more help. So \$25,000 from that individual, 1,200 of them in the country—1,200 people out of 280 million wrote checks for \$25,000. But, you know, we do not think that is enough. This bill now raises it to \$75,000. How many Americans can write checks for \$75,000 per year?

There is a disconnect between what we are debating and discussing and what the American public thinks about this. The chasm is huge. We are talking about people writing checks that are vastly in excess of what an average family makes as income a year to raise a family. And our suggestion is there is too little money in politics. We spend more money on potato chips, I am told.

The PRESIDING OFFICER. The Senator has used his 10 minutes.

Mr. DODD. I ask for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. I am told by one of my colleagues we spend more money on potato chips than we do on politics.

Maybe that is a good analogy, because I think too many Americans think this has become potato chips, in a sense. It has almost been devalued to that as a result of this disgusting process. I regret using the word "disgusting," but that is what it has become, when we are literally sitting around here and debating whether or not—with some degree of a notion that this is a reasonable debate—to go from \$25,000 a year to \$75,000 a year.

If you take this amendment in its totality, that same individual with soft money contributions and hard money contributions could literally write a check for \$540,000 to support the candidate of their choice in any given year. That is, in my view, just the best evidence I could possibly offer that this institution is out of touch with the American public, when it tries to make a case that there is too little money in politics today.

Put the brakes on. Stop this. Reject this amendment. We can live with these caps that we presently have. There is absolutely no justification, in my view, for raising the limits. What we need to do is slow down the cost and look for better means by which we choose our candidates and support them for public office.

This is about as important a debate as we will have. I know the budget is coming up. I know health care and education are important, but this is how we elect people. This is about the basic institutions that represent the people of this Nation. We are getting further and further and further away from average people, and they are getting further and further away from us.

I urge my colleagues to reject this amendment and support the McCain-Feingold proposal. It is not perfect, but it is a major step in the right direction. I urge rejection of the amendment.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield to my friend and colleague, the original cosponsor of this amendment, 10 minutes to the senior Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I thank my colleague from Nebraska for yielding me time. I rise in strong support of the Hagel amendment to the McCain-Feingold bill.

Let me make two points this morning in reference to two arguments on the side that opposes the Hagel amendment.

The first argument I have heard on the floor by my colleagues and friends is that somehow the Hagel amendment institutionalizes soft money going to political parties, as if it makes it legal or something.

I would say to people who make that argument, where have you been? Both political parties receive huge amounts of unregulated, unrestricted money in terms of amounts that can be given to both political parties.

I have in my hand a list. The first page is of soft money contributors to Democrats in our Democratic Senate Campaign Committee, and the second page lists over 100 soft money contributors to the National Republican Senatorial Campaign Committee. There is an exactly similar list that could be made for the House of Representatives, the other body, which would list all the soft money contributors to the House's respective political committees. The same is true for the National Democratic Committee and the National Republican Committee.

The Hagel amendment restricts their ability to do what they are doing to \$60,000 a year. Now, you don't think that is going to be one large restriction on the current practice which is legal under the Supreme Court decision? You bet it is.

Let me give you an example of what is occurring now without the Hagel amendment. On my side of the aisle, just to the Senate Campaign Committee, in the last cycle, the American Federation of State and County Municipal Employees gave our side \$1,350,000. On the Republican side in relation to soft money going to their campaign committee, Freddie Mac gave them \$670,250. Philip Morris gave them \$550,000. On our side, the Service Employees International Union gave us \$1,015,250.

So the arguments somehow that the Hagel bill institutionalizes or legitimizes or makes legal the concept of soft money contributions to political parties is nonsense. What it does do is restrict it for the first time by an act of Congress to no more than \$60,000 contributions. Every one of the contributors shown on these two pages is substantially in excess of \$60,000. In fact, the lowest one—they quit counting them at \$100,000. They do not even bother to list them below \$100,000. There are two pages of over 100 soft

money contributions currently going to the political parties to do voter registration, to do party-building activities, get-out-the-vote activities. For the first time an effort by Congress will say that they cannot give \$1,350,000 to Democrats and they cannot give \$670,000 to the Republican Senate Campaign Committee; they are limited to \$60,000 for party-building activities.

So the concept that somehow the Hagel legislation makes something legitimate that is not legal already is simply nonsense. It is already legal. For the first time, the Hagel bill restricts it, and in a major, major way.

The second point I will make is the following. The popular concept and the argument that I read daily in the press and listen nightly to in the news is that McCain-Feingold somehow eliminates soft money in Federal elections. Nothing could be further from the truth. I get deeply upset by people in the press reporting this issue when they say that somehow the debate is over eliminating soft money in Federal elections. It does not do that. It limits it only to the political parties that can best use the money in a fair and balanced manner.

The list behind me, which has been floating around for several days now—and I think it has caught the attention of many of our colleagues—is a list of advocacy groups that are not restricted by the soft money contributions that will be able to continue to be spent right up to the election—unrestricted, unreported, and are not affected in any way by this so-called soft money ban.

You all remember some of the names on this list because you have seen them time and again on the airways in your States attacking you. And not being able to respond to these types of groups is the real fallacy of this legislation. Do you remember Charlton Heston? Do you remember "Moses" campaigning against many people on my side of the aisle, through the National Rifle Association? Well, if the McCain-Feingold bill passes, they would still be on the air; they would still have Charlton Heston, and they would still be attacking Democrats for their support of gun control. They could not be affected by the legislation that is working its way through the Senate. They use soft dollars. If anyone thinks somehow prohibiting Members from helping them raise money is going to have an effect on them, believe me, it will not. They have plenty of sources without anybody helping them. They have enough money to continue to run the ads, primarily against Democrats who support gun control.

Do you remember the "Flo" ads on Medicare, Citizens for Better Medicare? Old Flo was there almost daily going after people who did not support what they thought was an appropriate Medicare reform bill and Medicare modernization. They will continue to have Flo on television. Flo will continue to be supported by soft money dollars, unrestricted, in any amount.

Do you remember Harry and Louise? The Health Insurance Association of America would totally be unaffected by the McCain-Feingold bill. They would continue to do their ads right up to the election.

Believe me, anyone who has the idea that 60 days before the election is going to adversely affect their activities has not been around very long. These groups do not wait until 60 days before the election. They start 2 years before an election. They are on the air in many of our States right now, today, going after incumbents that they do not like. They are unrestricted in how they can raise their money or how much they can spend. They don't care too much what happens 60 days before an election because their damage is already done. They will spend a year and 10 months beating you up. The only groups that are able to help in responding in kind is our State parties and our national parties.

So my argument is simple. No. 1, the McCain-Feingold bill does not restrict soft money where it should be restricted: Special interests, single interest organizations, which could continue to operate, going after candidates every day right up to an election. I know that most of these groups also do not have a lot of moderates. By definition, special interest groups generally are not moderate-type organizations. They generally reflect the hard-core positions of both of our parties.

Therefore, moderate Members who find themselves in the center of the political spectrum do not have any of these groups that are going to be out there defending their positions of moderation on particularly controversial issues. But the extreme wings of both of our parties, in many cases, will continue to be out there using unlimited amounts of soft money.

If we are talking about Members being somehow beholden to these organizations, if you have these groups on your back for 2 years, see if they do not have an affect on how you vote and what your positions are going to be, particularly if the only groups that can help you in order to defend your position are the State parties which will not have a level playing field and the same ability to run ads. These groups are not keeping with what the American people would like to see us do.

Therefore, my point is that the Hagel bill is a legitimate compromise. No. 1, it restricts the amount of soft money to \$60,000 that can go to parties. That is a major restriction to both of our parties over what we currently are getting in terms of the millions from individual groups and individuals that the Hagel amendment would dramatically bring down to a more reasonable amount.

Secondly, I think it is incredibly unfair. It creates a very serious unlevel playing field to say to Members in the real world that we will allow all of the special interest, single-issue organizations to continue to use soft money—

unrestricted in terms of the amount, unrestricted in how they can spend it—and yet we will be defenseless in terms of the parties coming to our defense.

I urge the support for the Hagel amendment.

The PRESIDING OFFICER (Mr. THOMAS). The Senator's time has expired.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I yield 5 minutes to the distinguished Senator from North Carolina, Mr. EDWARDS.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Mr. President, last night we voted on an amendment that was adopted by the Senate, the Wellstone amendment. I will add a few comments about that briefly and then talk about Senator HAGEL's bill.

First, I want to make clear that the idea of leveling the playing field and doing something about these 501(c)(4) advocacy groups is an idea I support. It makes a great deal of sense. So it is a substantive matter. I support the reasoning behind the Wellstone amendment, but I remain concerned about the serious constitutional questions raised by the Wellstone amendment given the fact that the U.S. Supreme Court, in 1984, ruled that these corporations, these advocacy groups, 501(c)(4) advocacy groups are treated differently than unions and for-profit corporations for purposes of electioneering.

That serious question still remains, but I don't think that amendment or the fact that it has passed should in any way undermine our effort to pass McCain-Feingold, to support McCain-Feingold, and to do what is necessary to change the campaign finance system in this country.

With respect to Senator HAGEL's bill, first, I thank him for his work in this area. I know he is trying to do a positive thing. There are some fundamental problems with his bill.

No. 1, not only does it not solve the problem of soft money, it arguably makes it worse. Although he places limits on soft money contributions to national parties, all that has to be done to avoid that problem is to raise the money through State parties. In addition, he does absolutely nothing about the fundamental issue, which is the appearance that candidates and elected officials are raising unlimited, unregulated contributions in connection with elections. There is nothing under his amendment that would prevent a candidate for the Senate from calling to a State party, raising \$500,000, \$1 million contributions that can then be used for issue ads in connection with that candidate's election. There is a fundamental flaw in the bill.

In addition to that, it legitimizes what has been used to avoid the legitimate Federal election laws, which are soft money contributions that are flowing into these issue ads. We should not put our stamp of approval on the soft money process.

Furthermore, we should not have candidates for Federal office, candidates for the Senate, continuing to be allowed to call contributors, ask for these huge contributions to be made to State parties, and that money can then be spent on that candidate's election. The problem is not solved and arguably the problem, in fact, is made worse.

With respect to Senator's Breaux's argument that this long list of interest groups can continue to raise soft money and spend soft money, the response to that argument is that the McCain-Feingold bill prohibits any of us, an officeholder or a candidate for office, from calling and asking for unlimited soft money contributions from those special interest groups. It removes us, the elected officials, which is ultimately what this is all about, the integrity of the Senate, the integrity of the House of Representatives, the integrity of the Congress.

The PRESIDING OFFICER (Mr. ENZI). The Senator's time has expired.

Mr. EDWARDS. I ask for another 2 minutes.

Mr. DODD. Make it 1 minute.

Mr. EDWARDS. I will do it in 1 minute.

It removes us from that process, which is a critical fact, because what we are trying to do is restore the integrity of the candidates, the integrity of the election process, and the integrity of the Congress. No longer would we be able to call and ask a contributor to make a large contribution to the NRA or some special interest group, for that money to be used in connection with our campaign.

Fundamentally, the Hagel bill does not solve the problem. The problem continues to exist. McCain-Feingold moves us in the right direction.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield 7 minutes of my time to my friend and colleague, the senior Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, first, I thank my colleague from Nebraska for the work he has done in this area. You have not heard my voice on campaign finance reform in the last several years, largely because I believed the legislation that was on the floor was not campaign finance reform. I do believe now that the Hagel amendment brings to the floor the kind of reasonable and appropriate adjustment in the campaign finance law that fits and is appropriate for the political process.

Just for a few moments, I will address some of the comments of my colleague from Connecticut a few moments ago, when, in a rather emotionally charged way, he suggested that the political process is awash in money. I only can judge him by his statement, but I have to assume that the perspective he has offered is from a 1974 view.

If you step back into 1974 and look forward into the year 2000, that judg-

ment can be made, that the political process is awash in money. But you cannot buy a car on the street today for a 1974 price, as much as you or I might wish. You cannot buy a house today at a 1974 price. Is he alleging that the auto industry and the real estate industry and all other industries of our country are awash in money? He has not made that statement, nor should he.

This is the reality: In 1980, I ran for political office in the State of Idaho as a congressional candidate for the first time. I spent about \$185,000 on that campaign. At that time a campaign for Congress was about \$175,000. Today that same campaign costs about \$800,000 or \$900,000. Why would it cost so much? At that time I was paying about \$5,000 for polling advice. Today that same candidate would pay \$13,000 or \$14,000. At that time I was paying \$400 or \$500 for a political ad. Today in Idaho, I would pay \$3,000 or \$4,000 for a political ad. Does that mean politics is awash in money or does it simply mean you are having to pay for the cost of the goods and services you are buying for the political process today in 2000 dollars and not 1974 dollars?

I do believe that is what the Senator from Connecticut meant, but what he alleges is that there is all of this money out there when, in fact, it is the money that comes to the system based on what the system has asked for and what it believes it needs to present a legitimate and responsible political point of view.

There is nothing wrong with that. What is wrong or what needs to be adjusted is how that money gets directed and how that money gets reported so the public knows and can make valid and responsible judgments when they go to the polls on election day whether candidate X or candidate Y has played by the rules and is the kind of person they would want serving them in public office.

I do believe that is what the Hagel amendment offers. It offers to shape and control and disclose in the kind of legitimate and responsible way that all of us should expect, and that is important to the credibility of the political process.

It is tragic today when politicians malign politicians and suggest that there is corruption and evil in the system. Not all of us are perfect, but about 99 percent of us try to play by the rules. We are judged by those rules. For any one of us to stand in this Chamber and suggest that the system is corrupt and therefore, if we are in it, we are also corrupt or corruptible is a phenomenal stretch of anyone's imagination and should not happen. It is too bad it does happen. Only on the margin has it happened in the past. Usually those individuals who fail to play by the rules ultimately get destroyed by those rules.

What we are trying to do is to adjust those rules in a right and responsible

fashion that brings clarity to the process, that reflects the fact that you cannot run a 2002 campaign in 1974 dollars or cents, for that matter. You cannot reach back well over a quarter of a century and expect that you can find the goods and services that you once purchased back then as something you will employ now in the political process.

So when the Senator from Connecticut gets so excited about the money that is in politics, why don't we be more concerned about directing it and clarifying it instead of trying to step back a quarter of a century to buy the goods and services that he bought then and that I bought then for the political process that have gone up by at least 25 or 30 percent in the interim?

Let me talk for a few moments on disclosure. Without question, disclosure is critical. The public clearly deserves to know and we have the tools and the technology today to disclose almost on a daily basis, certainly within a weekly process. Everyone should have their Web page and be up on the Internet and allow the world to know where their money is coming from and who is giving it. What is wrong with that? Nothing is wrong with that. And we should all be held accountable for it. The soft money issue—well, I think my colleague from Louisiana painted it very clearly: Disarm the political party, but let the open and uninhibited speech on the outside go unfettered. We can't touch that. The Constitution has said so. And we should not touch it.

What is wrong with a full, open, and robust political process? Nothing is wrong with that. That is how we make choices in this country, how we decide who will represent us in a representative republic. That is the way our system works. Those are the kinds of judgment calls the public ought to be allowed to make, and the Hagel amendment, in a very clear, clean, and appropriate fashion, makes those kinds of determinations.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I yield 5 minutes to the Senator from Minnesota.

Mr. WELLSTONE. I say to Senator DODD that I believe he gave one of the best speeches I have ever heard on the floor on this question.

I have two colleagues on the other side whom I like very much. I think Senator HAGEL commands widespread respect, as does Senator CRAIG. I want to pick up, so I don't go with some rehearsed remarks, with what Senator CRAIG said. He talked about he didn't understand what the Senator from Connecticut was saying because we have this open and full process. That is on what we really ought to be focusing.

The fact of the matter is, that is the issue, I say to my colleague from Idaho. The vast majority of the people in the country don't believe this is an open and full process. Too many people in the country believe if you pay, you

play; if you don't pay, you don't play. Too many people believe that their concerns for themselves and their families and their communities are of little concern to Senators and Members of the House of Representatives because they don't have the big bucks and because they are not the big players or the heavy hitters. That is exactly the point.

When we talk about corruption, I want to say again that I don't know of any individual wrongdoing by any Senator of either party. I hope it doesn't happen. But I do think we have systemic corruption, which is far more serious. That is when you have a huge imbalance between too few people with too much wealth, power, and say, and the vast majority of people who feel left out. If you believe the standard of representative democracy is that each person should count as one, and no more than one, we have moved dangerously far away from that. I think that is what my colleague from Connecticut was saying.

It is within this context that I have to say to my good friend from Nebraska that I do not believe the American people will believe this is a reform amendment if they should see a headline saying "U.S. Senate Votes to Put More Big Money into American Politics."

We now have, with the Hagel proposal, a huge loophole, unlimited soft money that now goes directly into State parties, and in addition we are talking about going from \$1,000 to \$3,000 and \$2,000 to \$6,000, when it comes to individual contributions.

Again, I was so pleased to hear my colleague from Connecticut say that when one-quarter of 1 percent of the population contributes \$200 or more and one-ninth of 1 percent contributes \$1,000 or more, why do we believe it is a reform to put yet more big money into politics and to have all of us more dependent upon these big givers, heavy hitters, or what some people call the "fat cats" in the United States? It doesn't strike me that this represents reform. I think it really represents more deform. And I am not trying to be caustic, but I just think this proposal on the floor of the Senate now is a great step backward. I hope my colleagues will vote against it.

Finally, I realize that with the proposal of my good friend from Nebraska, one individual would be authorized—if you are ready for this—to give a total of \$270,000 in hard and soft money to a national party in an election cycle—\$270,000? People in the Town Talk Cafe in Willmar, MN, scratch their heads and say: That is not us. We can't contribute \$270,000 to a party in one cycle. We can't contribute \$1,000, going to \$3,000, or \$3,000 going to \$6,000. This is not reform. We want you to pass McCain-Feingold with strong amendments, which will be a bill that represents a step forward.

This proposal of my friend from Nebraska is not a step forward. It is a

great leap, not even sideways but backward. I hope Senators will vote against it.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Mr. President, I yield 5 minutes to my friend, the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, I think everybody knows I would prefer not to have restrictions on soft money contributions to parties. The reason for that is I would like for the parties to be able to defend candidates and compete with these outside groups, that I confidently predict are not going to be restricted by anything we do here in this debate under the first amendment to the Constitution.

But legislating is always a matter of compromise. It seems to me the Hagel proposal casts a middle ground between people such as I who would not restrict the parties' ability to compete with outside groups, and people such as the Senator from Arizona and the Senator from Wisconsin who would take away 40 percent of the budget of the RNC and the DNC and 35 percent of the budget of the two senatorial committees—a middle ground. We have the prohibitionists on one side who want to completely gut the parties, and those such as I who would like to see the parties continue to have an unfettered opportunity to compete with outside groups. What Senators HAGEL and BREAU have done is try to strike a middle ground.

In addition, they deal with what I think is the single biggest problem in politics, the hard money contribution set back in 1974 when a Mustang cost \$2,700. Let's look at campaign inflation, which has been much greater than the CPI for almost everything else. For a 50-question poll, over the last 26 years, the cost has increased 150 percent. The cost of producing a 30-second commercial, over the last 26 years, has increased 600 percent. The cost of a first-class stamp, over the last 26 years, has increased 240 percent. The cost of airing a TV ad, per 1,000 homes, over the last 26 years has increased 500 percent. Meanwhile, the number of voters candidates have to reach—which is the way they charge for TV time—has gone up 42 percent over the last 26 years.

Back in 1974, when this bill was originally passed, the Federal Election Campaign Act, we had 141 million Americans in the voting age population. In 1998, it was 200 million in the voting age population. An individual's \$1,000 contribution back in 1980 to a \$1.1 million campaign represented only .085 percent of the total. That was the average cost of a campaign in those days. If the contribution limits had been tripled for the last election to adjust for inflation since 1974, an individual's \$3,000, which would have been allowed had we allowed indexation initially, to the average \$7 million campaign would have been only .04 percent of the

total—less as a percentage of the campaign than it was 26 years ago. There is no corruption in that.

In addition to that, raising the contribution limits on hard money gives challengers a chance. They typically don't have as many friends and supporters as we do. To compete, they have to pool resources from a much smaller number of people. One of the big winners, if we indexed the hard money limit, would be challengers. The contribution limits date to a time of 50-cents-a-gallon gasoline and 25-cent McDonald's hamburgers.

This is absurd. That is the single biggest problem we need to deal with. Michael Malbon, one of the professors active in this field, said:

We expected thousand-dollar contributors to include many lobbyists who would favor incumbents. That is not what we found. In Senate races in 1996 and 2000, 70 percent of the thousand-dollar contributions went to non-incumbents.

With regard to constitutionality, let me say again that I am not wild about limiting the party's ability to speak while allowing outside special interest groups to use large, unregulated, undisclosed contributions.

There is a legitimate constitutional question as to whether the courts will uphold the restrictions on the ability of political parties to engage in free speech.

The all-or-nothing debate over banning soft money has grown a bit tired and stale for many in the Senate—and, I would guess, many in the press who have had the misfortune of covering this issue for the past several years.

Senator HAGEL and Senator BREAUX along with their cosponsors have sought a middle ground that leaves neither side particularly happy—which leads me to believe that they have probably gotten it about right.

Those like myself who want to see our great political parties prosper and compete with unregulated outside special interest groups prefer no additional restrictions on soft money.

Those, like my colleague from Arizona or my colleague from Wisconsin, who want to take away 30 to 40 percent of the budgets of the great political parties by banning all non-Federal money are adamant that it must be their way or no way. A total ban on party soft money is their starting point in the negotiation and, unfortunately, their ending point.

I say to my friend from Nebraska, he has probably hit it about right. He is somewhere in the middle between me and my colleague from Arizona, JOHN MCCAIN.

I commend the cosponsors of Hagel-Breaux for their thoughtful effort to find a third way, a middle ground between those who want a total ban—the prohibitionists, you might call them—and those who want unfettered speech by America's political parties.

I want to briefly touch on two points in discussing the bipartisan Hagel-Breaux compromise. First, I want to

talk about the dire need to increase the hard money limits, and, then I will offer my thoughts as to why the Hagel-Breaux compromise is more likely to be upheld as constitutional than McCain-Feingold.

I must state again that I am not wild about limiting the parties' ability to speak while allowing the outside special interest groups to use large, unregulated, undisclosed contributions to drown out the voices of parties and candidates.

There is a legitimate constitutional question as to whether the courts will uphold restrictions on the ability of political parties to engage in issue speech.

Ultimately, however, I believe that Hagel-Breaux is far more likely to be upheld than McCain-Feingold.

First, and most importantly, McCain-Feingold completely bans party soft money from corporations and unions. The Hagel-Breaux compromise, however, only places a cap on party soft money from unions and corporations, thus leaving unions and corporations with a meaningful avenue for supporting America's political parties.

There is a significant qualitative and constitutional difference between a ban and a cap. For example, the Supreme Court in *Buckley* upheld a contribution cap in the 1974 law. The legacy of *Buckley* is reasonable caps, not bans. A cap sets limits on the right to speak. A ban completely forecloses the right to speak. I would argue that we should have neither. But, if you have to choose one, then the lesser restriction has a far greater chance of being upheld under first amendment analysis.

In short, there is clearly a constitutional difference between a reasonable cap and a total ban. It is the difference between prohibition and moderation. I submit to my colleagues that corporations and unions participating in American politics and supporting our great parties is a virtue, not a vice. It may be wise—as Senators HAGEL and BREAUX suggest—to moderate that influence, but it is certainly unwise to prohibit it.

Let me touch on one other point—a myth, really. We have heard some in the Senate argue that corporations and unions have been banned from politics for the better part of the 20th century. No myth could be more pervasive or more untrue. Corporations and unions have never been banned from participating in politics in America. Anyone who knows the history of labor unions will tell you that the unions have been and continue to be one of the most significant players in American politics. Regardless of what you think of the labor unions, what they are doing today with non-Federal money is not illegal activity. I hear speaker after speaker on the other side get up and directly imply that labor unions are somehow doing something illegal by participating in politics. I may disagree with the unions on some of their

issues, but I will firmly and proudly defend their right to participate in politics. The often-repeated and implicit statement that big labor is engaging in illegal activity by participating in politics is just plain wrong, and, that implicit and pervasive allegation should stop.

There is absolutely nothing in the Tillman Act or the Taft-Hartley Act that prohibits corporations and unions from giving to political parties. This is a gross misstatement and misreading of the plain language of well-established law.

Of course, the Hagel-Breaux compromise—unlike McCain-Feingold—seeks a constitutional middle ground on regulating outside groups by requiring that files on ad buys be available for public inspection. This increases accountability without requiring donor disclosure and membership lists of outside groups who dare to speak out on public issues in proximity to elections. The McCain-Feingold, Snowe-Jeffords approach has been struck down as recently as last year by the Second Circuit Court of Appeals. I commend my colleagues for recognizing the boundaries of the first amendment's guarantee of free speech and free association.

Finally, unlike McCain-Feingold, Hagel-Breaux recognizes that there is not only a first amendment, there is a tenth amendment. The tenth amendment limits the Federal Government's powers to mandate and dictate to States. McCain-Feingold tramples the tenth amendment almost as vigorously as it does the first amendment.

For example, McCain-Feingold would tell State and local parties that they must follow Federal law and Federal contribution and expenditure limits for a whole host of activities in years where there happens to be a Federal candidate on the State or local ballot.

Let me give you an example: Under McCain-Feingold, if the Sioux City Republican Party decided next year that it wanted to register voters in the final 4 months before election day to increase turnout for the Sioux City sheriff's race, then it would have to pay for the voter registration with money raised under strict Federal contribution limits. The same would be true if the local party in Sioux City wanted to print up buttons and bumper stickers that said "Vote Republican" to increase turnout for the local jailer's race. The Sioux City Republicans would have to operate under Federal law on contribution limits.

Hagel-Breaux, on the other hand, avoids understanding the varied and diverse role of political parties at the national, State and local level and avoids such massive, overbearing, and unwise Federal regulation.

Finally, the Hagel-Breaux compromise provides a rational justification for its limits. The Hagel-Breaux compromise takes the exact contribution limits upheld by the Supreme Court in *Buckley* and adjusts those

its for a quarter-century of inflation. I believe there is a good chance that the courts would view that sensible rationale as reasonable and constitutional.

In closing, let me say that I am not wild about this legislation, but I think it seeks and finds a middle ground, a third way for Senators on both sides of the aisle to come together and move forward in the spirit of bipartisan compromise. I commend my colleague from Nebraska and my colleague from Louisiana for their willingness to step into the breach.

Mr. DODD. Mr. President, I yield 5 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my good friend from Connecticut. Let us start with a few basic truths. We are supposed to have limits. They have been completely evaded, destroyed by the soft money loophole. The current law says no individual is supposed to give more than \$1,000, or give more than \$25,000 in a year totally, and because of the soft money loophole, there are no limits. That is a given. The question is whether or not we want to close the soft money loophole.

It seems to me, unless we close this soft money loophole, we are going to destroy public confidence in the election process in this country, and the cynicism which exists and the impact and effect of large money on politics is simply going to grow.

How do we close the soft money loophole? In McCain-Feingold we close it. We simply end the soft money loophole, not just for national parties, but also to make sure that Federal officials and officeholders and candidates do not raise money for State parties in a way to avoid our new prohibition. That is missing from the Hagel amendment.

We have to be clear on that critical point because we have seen charts which say: Look, we are going to reduce the amount of soft money in the campaigns because we are going to put a cap on the amount of soft money. Putting aside the fact that this goes exactly opposite the principles in McCain-Feingold and putting aside the fact that Hagel then would enshrine soft money into our national law, it also means that unless you close the possibility and end the possibility of Federal candidates, Federal officeholders, and national parties just simply raising money for State parties in Federal elections, you leave the loophole open.

What the Hagel amendment does is shift the loophole. It does not close it. It continues to allow Federal officeholders, Federal candidates, and national parties to raise the money for State campaigns and State parties that will in turn continue to use that money in attack ads and in so-called sham issue ads. It does not close the soft money loophole, it shifts the soft money loophole.

That is simply not good enough. That is not campaign finance reform. That is sham reform.

The other thing it does, relative to hard money limits, is it raises the hard money limits to \$75,000 per year per individual which means that a couple can give in a cycle of 2 years \$300,000 in hard money contributions. That is not reform. That simply says that big money, big bucks, and big contributions will continue to be solicited by those of us who are in office, those of us who seek office, and those of us who are in the national parties. That means that the role of big money in these campaigns is going to continue.

I close by quoting something the Supreme Court said in the Missouri case, in the Shrink Missouri Government PAC case a year or two ago. This is what the Supreme Court said about the appearance of impropriety, the appearance of corruption created by big contributions:

While neither law nor morals equate all political contributions, without more, with bribes, we spoke in Buckley of the perception of corruption "inherent in a regime of large individual financial contributions" to candidates for public office as a source of concern "almost equal" to quid pro quo improbity. The public interest in countering that perception was, indeed, the entire answer to the overbreadth claim raised in the Buckley case. This made perfect sense. Leave the perception of impropriety unanswered, and the cynical assumption that large donors call the tune could jeopardize the willingness of voters to take part in democratic governance. Democracy works "only if the people have faith in those who govern, and that faith is bound to be shattered when high officials and their appointees engage in activities which arouse suspicions of malfeasance and corruption."

I thank the Chair, and I thank my good friend from Connecticut.

Mr. DODD. Mr. President, I yield 5 minutes to the Senator from Florida, Mr. GRAHAM.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, in 1971 when the Senate last visited this issue in earnest, it did so with every belief that the legislation that would be produced would end abuses of our Federal electoral system. It helped for a time until loopholes came to light and new abuses surfaced.

In every series of actions on this issue, there have been unintended and unexpected consequences. I want to talk about one of those consequences, and that is the effect that the current Federal campaign finance law has had on American politics.

It has converted American politics by requiring and facilitating a fundamental alteration in the conduct of campaigns. It takes candidates into the shadows—the closeted shadows—of an office dialing for big dollars and the flickering shadows of a television studio spending those big dollars on self-serving or, more frequently, attack ads disparaging the opponent.

What is given up by going into the shadows? What is given up is the public's open participation in the critical purposes of a political campaign. Let me suggest three of those purposes.

First, a purpose of a political campaign is mutual education. Both the voter and the candidate should conclude the campaign with a better understanding of each other. I cite as an example of that mutual education a former colleague and very close personal friend, Senator and then-Governor Lawton Chiles of my State of Florida.

In 1970, he commenced a campaign for the U.S. Senate as the most distinct long shot in a large field of candidates. He had no money. He had almost no statewide name recognition. He had no organization. But what he did have was a powerful desire and an idea. His idea was that he was going to take 3 or 4 months in the middle of the campaign, not to dial for dollars or to make TV spots, but to get to know the people of Florida in a very intimate way. He did it by walking almost 1,000 miles from the northwest corner of the State to the Florida Keys.

In the course of that walk, Lawton Chiles became a different human being. He had learned from the people of Florida, and then they responded to what he had done by electing him, and he in turn responded by 18 years of outstanding service in the Senate.

That is eliminated as people rush to the shadows to both dial and then produce TV ads.

A second purpose of a political campaign is to establish a contract between the candidate and the voters as to what is expected once elected.

I suggest this contract is especially important in our form of government. We do not have a parliamentary government where, when the people believe that the party elected has drifted away from its commitment, they can overturn that government and install a new government. We are all elected for a fixed term, so it is important that as that term commences and in the process of the development of the relationship between citizen and candidate, there is a clear understanding of what that candidate is going to do if he or she is elected.

That contract development is largely abrogated by the process of focusing the campaign exclusively on raising money in order to support 30-second television ads.

Finally, a purpose of a political campaign is to test the aptitudes, the character of the candidate should he or she be elected. I believe one of the most telling statements of what kind of a person one would be in office is how they conduct themselves as a candidate. Do they make quality decisions in public, under pressure? Do they exercise self-discipline? The kind of people they surround themselves with in the campaign will be a telling commentary on the kind of people they are likely to surround themselves with in office.

Again, what do we learn about the character and aptitude of a candidate if all we see is their own self-financed and self-produced TV ads? The public is

telling us of its disgust with the move of the campaigns from the sunshine to the shadow. The American voters are shouting, particularly young voters. How are they shouting? They are shouting by their nonparticipation. Ever since the Constitution was amended to allow 18-year-olds to vote, the message of those 18-year-old voters has gone down at every Presidential election. If that is not telling us what the newest generation of American citizens has to say about the current process, we are deaf.

The Hagel amendment would increase the torrent of money into politics. It would increase the time and effort spent on raising and spending money on television ads. It would accelerate the slide of public involvement and interaction in a political campaign. We need to reject this amendment and adopt the legislation offered by Senators MCCAIN and FEINGOLD.

Mr. ALLARD. Mr. President, I should offer an amendment that says: on page 3, between line 27 and line 28, insert the following: 30 days after enactment of this Act, the starboard deck chairs of the R.M.S. *Titanic* shall be moved to the port side, and vice versa.

Because if we step back and examine the campaign finance issue, I believe that in the end all this legislation affecting details of the campaign finance system is doing just that rearranging deck chairs on the *Titanic*. If I can just stretch this metaphor a bit farther, the iceberg looming out there in front of us is not soft money, or disclosure requirement, or compulsory union dues, but rather the simple fact that our federal government is so bloated and intrusive that Americans are desperate to find ways to affect its actions.

I believe the absolute best ways to ensure there are no undue special interest influence is to suppress and reduce the size of government. If the government rids itself of special interest funding and corporate subsidies, then there would be less of a perception of any attempts to buy influence through donations. A simplified tax code, state regulation flexibility, free markets, local education control—these are less government approaches to problems that would also lower the desperate need for influence.

I am not alone in that belief. The Colorado Springs Gazette ran an editorial on Thursday, March 22 saying that “The best way, and the constitutional way, to limit campaign contributions is to reduce government itself, and thus the need interests have to manipulate government to their advantage.”

That editorial is proof that perhaps those outside the beltway see the forest instead of all the individual trees we keep getting caught up by here on the Senate floor. They know that all we are doing is addressing symptomatic, not causal, problems.

There are two reasons why McCain-Feingold is ineffective. One of those reasons is the United States Supreme

Court, and I will address that later. The other reason speaks to the futility of these alleged reforms—these various deck chair amendments. That reason is human nature. Even if we could constitutionally ban soft money, human nature dictates that people whose interest, both financial and otherwise, are constantly and severely being abused or threatened by our 1.9 trillion in federal spending will continue to seek to influence the government, some out of just basic self defense.

In the Eighties the complaint was against the PACs. In the Nineties and now, the complaint is against soft money. Even if there was a constitutional soft money ban, there will be something else later. What needs to be done is to address the problem, not try and hide the effect of the problem. But, since we are here, moving our chairs around, I must say that I favor certain chair arrangements. And so do my constituents.

Then Denver Rocky Mountain News, for instance, ran an editorial during the last Congress in response to the passage of the Shays/Meehan bill, expressing the paper's belief that soft money campaign contributions are a form of political expression and, as such, are protected by the First Amendment.

In the editorial they use an example of an average citizen who might decide to distribute leaflets against a city pot hole problem. If this hypothetical citizen is stopped from doing so by a city council, it would be a clear-cut violation of freedom of speech. The editorial then goes on, correctly, to explain that the difference between this simple form of election activity control and the kinds contained in McCain-Feingold is merely a difference of degrees, not type. Donors who want to give to the Republican National Committee or the Democrat National Committee are expressing their political views. As the Supreme Court has ruled, political spending equals political expression. Attempting to completely ban this political expression, however distasteful some might find soft money, is an attempt to stifle activities protected by the constitution. And so it is our duty as legislators to find a better way.

Let me explain also that I feel that a soft money ban is biased. It might just be coincidental that the McCain-Feingold has 34 Democrat co-sponsors and 6 Republican ones, but it might also have something to do with the fact that a ban on party soft money will ultimately benefit Democrat candidates over Republican ones. If political parties are curbed, the Democrats already have a cohesive constituency ready and able to step up and assume party functions. Organized labor is just that—coordinated people ready to work. They are also ready to spend. I don't begrudge the Democrat National Committee this labor and funding base, but it is unbalanced and blatantly partisan to attempt to shield this type of spending—which has been done in amend-

ment after amendment on this floor—while attacking its counterbalancing force, the areas where the Republican National Committee instead has the advantage.

I have cosponsored Senator HAGEL and LANDRIEU's legislation because it shared some aspects of what I have previously proposed for campaign finance reform. The bill calls for increased disclosure, aspects of which we have embraced here already. Sunshine is a strong disinfectant. The bill calls for an increase to campaign donor limits. Hard money is called for a reason, and so we should encourage as much campaign spending as feasible to move into that category, where the rules are tighter and more defined.

The Hagel-Landrieu legislation is one of the best deck chair arrangements before us. I urge its passage.

Mr. WARNER. Mr. President, today I rise in support of the Hagel amendment to the McCain-Feingold campaign finance reform bill. This legislation is similar to legislation that I introduced in each of the last two Congresses, “The Constitutional and Effective Reform of Campaigns Act,” or “CERCA.” My bill has proven to be a good faith effort to strike middle ground in this important debate and offered an alternative to the bills that have been debated before the full Senate in the past. The principal points in my bill were enhanced disclosure, increased contribution limits, a cap on soft money and paycheck protection. Senator HAGEL's amendment does much the same thing.

As Chairman of the Rules Committee during the 105th Congress, I had the honor of presiding over at least twelve hearings on campaign finance reform. My legislation was a result of these two years of hearings, discussions with numerous experts and colleagues, and the result of over two decades of participating in campaigns and campaign finance debates.

It is well documented the growth of soft money in recent years is an issue of public concern. The \$60,000 soft money cap found in the Hagel amendment addresses the public's legitimate concern over the propriety of large soft money donations while allowing the political parties sufficient funds to maintain their headquarters and conduct their grassroots effort.

In addition to the issue of soft money, there is the issue of raising the hard money caps. Politicians spend too much time fundraising at the expense of their legislative duties for incumbents, and, for both incumbents and challengers, at the expense of debating the issues with voters. The current individual contribution limit of \$1,000 has not been raised, or even indexed for inflation for over 20 years. This situation requires candidates to spend more and more time seeking more and more donors. The Hagel amendment triples the individual contribution limits to \$3,000 and indexes that limit for inflation. My campaign finance legislation contained the exact same provision.

These are issues that I believe can be solved in a bipartisan fashion. I look forward to working with my colleagues to enact meaningful campaign finance reform, and I encourage my colleagues to support the Hagel amendment as a mechanism to reach bipartisan consensus on campaign finance reform.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, please notify me when I have used 5 minutes of the remaining time.

Mr. President, as I have listened this morning and throughout the days of last week about the dynamics of campaign finance reform, I believe it is well summarized in a piece that appeared in the New York Times on Sunday. I will read part of that piece because it does strike to the essence of real reform of campaign finance.

Joel Gora, general counsel to the New York Civil Liberties Union, and Peter Wallison, a fellow at the American Enterprise Institute, wrote this thoughtful op-ed in last Sunday's New York Times. This is some of what they had to say:

Despite all the noise [about campaign finance reform] soft money is not the monster it's made out to be. By definition, it consists solely of contributions to political parties for such things as party building, getting out the vote and issue advertising; it cannot be used for direct support of candidates. . . . But eliminating soft money contributions to parties sacrifices other values that we believe are fundamental to our democratic system. . . .

Political parties are groups with broader interests, more intertwined with the electoral process. . . . Banning soft money denies parties the rights that we would not think of denying to other organizations. . . .

The National Abortion Rights Action League can attack the Republican Party with money it raises from any source and in any amount; the National Rifle Association can attack the Democratic party with the same unlimited resources; however, if soft money is eliminated, neither political party will have the resources to counter these attacks. . . .

There is also the free-speech guarantee of the First Amendment. Can there be any doubt that the core of the Constitution's protection of free speech and a free press is to inform the electorate? . . .

The McCain-Feingold bill goes beyond even limiting contributions. It actually prohibits speech. . . .

There are no real winners in this situation, but there are real losers—the voting public.

And so said the New York general counsel to the New York Civil Liberties Union.

I think Mr. Gora said it well.

In these final minutes of debate, I go back to the basics that brought us here. We are here to reform our campaign finance system. My friends from Arizona and Wisconsin have offered one alternative. I believe it is the wrong approach. Their intentions are good, but the unintended consequences of their legislation would weaken our political system at the point where it should be the strongest. The McCain-Feingold bill would not open the process to more people; it would restrict

the process to those who can afford to play outside the process.

What do we gain by weakening the vital dynamic institutions of the political process, the political parties, the one group of institutions that is accountable to the American public and the only institution that will help a challenger take on an incumbent?

We have heard an awful lot in this body in the last few days about incumbent protection, a lot of incumbent protection debate and amendments passed to protect our jobs.

My bipartisan colleague and I have offered an alternative. It is real reform. It will change our campaign finance system. It will make it better, more accountable, more responsible.

Our amendment provides more disclosure. It limits soft money. It increases the ability of individuals to participate by increasing the outdated 1974 limits on soft money. My goodness, where were all my colleagues in 1974 when this terrible corrosive corrupting factor of \$1,000 was out there? I went back and read that debate. I was in Washington in 1974. There were Members of this body today who voted for that. Not a peep was made in 1974 about any corrupting influence. This is the same dollar amount. So how is that bad or how is that some way more corrupt?

We face serious questions today. Are we going to reform our campaign finance system? I think we can. I encourage my colleagues to vote for this amendment that amends the McCain-Feingold bill.

Mr. DODD. Parliamentary inquiry: The opponents have 8 minutes remaining?

The PRESIDING OFFICER. Your side has 8 minutes remaining.

Mr. DODD. I yield 3 minutes to the Senator from Rhode Island. I believe Senator THOMPSON of Tennessee would like to be heard and we will close with 3 minutes from the Senator from Arizona, just to inform my colleagues of the remaining allocation.

Mr. REED. Mr. President, I rise in opposition to the Hagel amendment. I respect Senator HAGEL immensely and compliment him for his efforts, but I think it is the wrong direction for campaign finance reform. The core of our debate about campaign finance reform is to restore the confidence of the American people in our political system—to make them believe, as we hope they once did, that their vote is the most significant aspect of a Federal election. Today I fear they believe their vote is less important than the contributions of special interests or economic elites.

The Hagel amendment would amplify significantly the bankrolling of economic elites in elections by raising the limits on contributions that these individuals can make.

I think it is very important to point out today the limits on contributions are only reached by approximately one-ninth of 1 percent of our country's citi-

zens. This infinitesimal fraction of individuals are donating significant amounts of money to political campaigns. This does not represent, as a result, this effort to raise the limits, an attempt to reach out to the broad spectrum of American voters. It would, in fact, increase and enhance the role of a very small minority of America.

That is not the direction we should take for campaign finance reform. We should not increase the amount of dollars going to the system. We should create a system in which people again believe their vote, rather than any contribution by a special interest or a wealthy American, is the most important part of our system.

The other aspect of the Hagel amendment which is troubling is the institutional savings of soft money. His proposal allows wealthy individuals to donate \$60,000 per calendar year to a political party, congressional campaign committee of a national party and others. This institutionalization once again exacerbates the role of money in campaigns and once again focuses away from the individual voter to the very wealthy contributor.

I think it is the wrong direction to take. As I said, the perception of our constituents is that this system is not working for them.

I yield the floor.

Mr. DODD. I yield 2 minutes to my colleague from Wisconsin.

Mr. FEINGOLD. I focus for a moment on the State party loophole and address the new provisions of the Hagel amendment concerning party soft money. I also want to respond to the argument that the new provisions of the Hagel bill are necessary because the McCain-Feingold bill will starve the parties or will, in their minds, federalize State elections. These charges are just untrue.

I talked yesterday about the Hagel amendment legitimizing and sanctioning the soft money system. I was referring primarily to the \$60,000 cap on corporate, labor, and individual soft money contributions. The same can be said about the State soft money loophole, and even more so after the changes Senator HAGEL made in his amendment before he offered it yesterday. The amendment codifies the FEC's allocation rules used for soft money expenditures by the State party. The FEC currently requires expenditures on certain activities including get-out-the-vote and voter registration efforts to be paid for with a combination of hard and soft money. What the Hagel amendment does is write these allocation formulas into law. It takes the soft money system started in the States and makes it permanent.

We support the kinds of activities for which soft money now pays. It is not that we think get-out-the-vote or voter registration activities are somehow corrupt. Quite the contrary, we believe these activities are extremely important to the health of our democracy. But the approach of the McCain-Feingold bill is to get more hard money to

the States, not to allow soft money to live on.

Senator McCAIN and I strongly support vital political parties at both the State and national level. What we don't support is using unlimited soft money from corporations, unions, and wealthy individuals to elect Federal candidates.

The McCain-Feingold bill doubles the amount of hard money an individual can give in hard money to state and local parties—to \$10,000 per year, or \$20,000 per cycle. That is a little-noted provision in our bill. To hear the Senator from Nebraska tell it, you would think that we were looking to severely restrict party activity in the States. Far from it.

All our bill says is that when a State party is spending money on Federal elections, it has to be hard money. That includes voter registration activities within 120 days before a Federal election. We all know that voter registration in States helps Federal candidates. Likewise, get out the vote activity and generic campaign activity—like general party advertising—when Federal candidates are on the ballot. Those kind of activities, regardless of how laudable they are and how much we want to encourage them, assist Federal candidates in their election campaigns. So we believe they must be paid for with Federal money. Obviously, so should public communications that refer to a clearly identified federal candidate and support or oppose a candidate for that office.

Does that mean that we are trying to weaken the parties? Not at all. We simply ensure that soft money raised by the states cannot be spent on federal elections. As I have said, to leave that State soft money loophole wide open cannot be considered reform. And at this point I would remind my colleagues that both parties consistently raise more hard money than soft money. It is not true that if you can't spent soft money on an activity, that activity won't take place. The parties raised more than \$700 million in hard money in the 2000 cycle. The idea that we are somehow shutting down State party activities because they must now use hard money for certain activities—those connected to Federal elections—is simply untrue.

My colleagues might recall that the parties did just fine without a significant amount of soft money for many years. In the 1984 election cycle, soft money accounted for roughly 5 percent of the total receipts for the political parties, and voter turnout in the 84 elections was 53 percent. In the 2000 cycle, soft money accounted for 40 percent of the parties' receipts, and voter turnout was 51 percent. Soft money does not get out the vote any better than hard money. Soft money doesn't provide some kind of magic bullet that States need to conduct get out the vote activities, or other activities surrounding Federal elections. The States just need adequate funds to conduct

those activities, and McCain-Feingold makes sure that they have the money—we double the amount of hard money an individual can give to a state party and increase the aggregate annual limit a commensurate amount.

We want to help state parties stay a vibrant part of our politics. And there are plenty of activities where States can spend whatever soft money they might raise through their State party. We don't attempt to exert any control over what a State party spends on election activities that are purely directed at State elections. But we do say—a million dollar contribution to the party from Philip Morris, or the AFL-CIO, or Roger Tamraz, or Denise Rich has the appearance of corruption, whether the money is used for phony issue ads attacking candidates, or voter registration.

Mr. DODD. Senator THOMPSON of Tennessee was going to try to get to the floor but is unavoidably detained. He would oppose the Hagel amendment on constitutional grounds.

Mr. President, what time remains now?

The PRESIDING OFFICER. Two minutes 50 seconds.

Mr. DODD. The remaining time I yield to my colleague from Arizona, the author of the McCain-Feingold bill.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I appreciate the hard work and sincere conviction that my friend—my dear friend and comrade—the Senator from Nebraska has invested in his amendment. I would, as always, prefer to be on the same side of the fight with him, as we have been so many times in the past, and as we will be again. He is a man of honor and a patriot. I admire him and consider his friendship to be a treasure of inestimable value to me. And whatever faults I might have as a human being and as a legislator, I hope it could never be fairly said of me that I was ungrateful to men and women of character who have honored me with their friendship.

I should also acknowledge that there are provisions of Senator HAGEL's amendment that I could support, or that, at least, could provide the basis for bipartisan negotiations. The Senator's broadcast provision, for instance, merits support. And I believe there are ways that Democrats and Republicans could come together to address Senator HAGEL's central concern about making sure that our legislation does not weaken the two political parties even more than, what I believe, is the case today.

But recognizing both the Senator's hard work and sincere concern, I must oppose this amendment. I must oppose it because it preserves, indeed, it sanctions the soft money loophole that has made a mockery of current campaign finance law, and which has led directly to the many, outrageous campaign finance scandals of recent years that have so badly damaged the public's re-

spect for their government, and for those of us who are responsible for protecting the public trust.

As I said in my opening statement, I believe it is self-evident that contributions from a single source that run to the hundreds of thousands of dollars are not healthy to a democracy. And I believe that conviction is broadly shared by the people whose interests we have sworn an oath to defend. My friend's amendment would allow this terribly damaging flaw in our current system to remain. It would, in fact, sanction it.

Thus I cannot support it. Even if every other provision of our bill were to be struck down by the opponents of campaign finance reform, along with all the good work done by both sides last week in reaching compromises on related issues, even if it were all to fall, a ban on soft money—the huge unregulated six and seven figure checks that come from corporations and unions, from Democrats and Republicans, from Denise Rich and Roger Tamraz—a ban on soft money, while not perfect reform, or comprehensive reform would still be good service by this body toward alleviating the appearance of corruption that afflicts our work here.

A cap of \$120,000 per individual per campaign, along with absolutely no limits on soft money used by state parties for the benefit of candidates for federal office, will do little to address this problem. In fact, and I say this with the greatest respect and affection for my friend, it will do nothing but give this much abused system the Senate's stamp of approval.

Mr. President, at the end of debate, I will move to table the Hagel amendment, and I urge all my colleagues to join me in opposing it.

Mr. McCONNELL. Am I correct that at the end of my 5 minutes we go to the vote?

The PRESIDING OFFICER. That is correct.

Mr. McCONNELL. Mr. President, I yield 3 minutes to the distinguished Senator from Nebraska.

Mr. HAGEL. Mr. President, over the last few days many of my colleagues, both Republicans and Democrats, including many of my cosponsors, have expressed a desire to vote on each of the three main issues in our amendment to McCain-Feingold. I note that my dear friend JOHN McCAIN mentioned that there might be some areas in my bill, which now is in the form of an amendment to McCain-Feingold, where we could find some agreement. The senior Senator from Arizona mentioned specifically that the disclosure part of my bill might be something on which we could find some common ground.

Therefore, in order to allow my colleagues to vote on all three of the main issues of my amendment, I demand a division of my amendment into three parts by subtitle.

The PRESIDING OFFICER. The Senator has that right. The amendment is so divided.

Mr. DODD. Parliamentary inquiry, Mr. President: What was the request?

The PRESIDING OFFICER. Will the Senator yield for a parliamentary inquiry?

Mr. McCONNELL. I am happy to yield for a parliamentary inquiry.

Mr. DODD. What was the request of the Senator from Nebraska?

The PRESIDING OFFICER. The Senator demanded a division of his amendment into three parts, and it has been so divided.

Mr. DODD. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The Senator from Kentucky has the floor and controls the time.

The Senator from Kentucky.

Mr. McCONNELL. Mr. President, what the Senator from Nebraska has provided us is an opportunity to have three votes on the three component parts of his amendment. That is allowed under the rules of the Senate. It gives us an opportunity to deal with the core issues the Senator from Nebraska has laid out here: The increase in hard money, increased disclosure, and the soft money cap. It is my understanding that when I yield back my time, we will go to the vote on those three amendments. I therefore yield back my time.

Mr. DODD. Mr. President, may I make a further parliamentary inquiry? I ask unanimous consent I be allowed to address the Chamber for 1 additional minute.

Mr. McCONNELL. Reserving the right to object, let me just say all this provides is an opportunity for three separate votes, as the Senator from Nebraska has pointed out: On the hard money contribution limit, increased disclosure, and the soft money provisions. Mr. DODD. I appreciate that. All I want to inquire is: There was a unanimous consent agreement entered into for the consideration of this bill, with no second-degree amendments, no intervening motions. Is it the understanding of the Senator from Connecticut, then, that that unanimous consent agreement entered into for the consideration of this bill did not include a motion to divide? That is the first question.

The PRESIDING OFFICER. Division is not a motion; it is a right of any Senator.

Mr. DODD. Second, are motions to table in order?

The PRESIDING OFFICER. The first division will be open to a motion to table, followed by the second division, followed by the third division.

Mr. DODD. I thank the Chair and thank my colleague.

Mr. McCONNELL. Mr. President, I ask for the regular order.

Mr. REID. If the Senator will yield for another parliamentary inquiry, and that would be simply—

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. McCONNELL. I believe the time has basically run out. I think the Chair has explained there would be three

votes, each subject to a tabling motion should the Senator from Nevada—

Mr. REID. Mine has to do with scheduling, if the Senator will yield for that.

Mr. McCONNELL. I yield for that sole purpose.

Mr. REID. We have our party conferences at 12:30. If we have three votes, that will not work. I am wondering what the Senator's idea is.

Mr. McCONNELL. I suggest to the distinguished Democratic whip we have a 15-minute rollcall vote on the first vote and then 10 minutes on each of the next two. We should not have any problem getting to our policy luncheons.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. REID. Objection.

The PRESIDING OFFICER. Objection is heard.

The senior assistant bill clerk continued the call of the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, as I said earlier, I ask unanimous consent that the time on the first vote be 15 minutes, and the two subsequent votes be 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I yield to the Senator from Arizona.

Mr. McCain. I move to table and ask unanimous consent that that be for all three divisions. I move to table all three.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCain. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON DIVISION I, SUBTITLE A, CONTRIBUTION LIMITS

The PRESIDING OFFICER. The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 47, as follows:

[Rollcall Vote No. 49 Leg.]

YEAS—52

Akaka	Bayh	Bingaman
Baucus	Biden	Boxer

Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin

Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Leahy
Levin
Lieberman
Lincoln

McCain
Mikulski
Miller
Murray
Nelson (FL)
Reed
Reid
Sarbanes
Schumer
Snowe
Specter
Stabenow
Wellstone
Wyden

NAYS—47

Allard
Allen
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Fitzgerald

Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Landrieu
Lott
Lugar
McConnell
Murkowski

Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NOT VOTING—1

Rockefeller

The motion was agreed to.

Mr. DODD. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the third vote occur notwithstanding the 12:30 p.m. recess.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON DIVISION II, SUBTITLE B, INCREASED DISCLOSURE

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 0, nays 100, as follows:

[Rollcall Vote No. 50 Leg.]

NAYS—100

Akaka	Corzine	Hollings
Allard	Craig	Hutchinson
Allen	Crapo	Hutchison
Baucus	Daschle	Inhofe
Bayh	Dayton	Inouye
Bennett	DeWine	Jeffords
Biden	Dodd	Johnson
Bingaman	Domenici	Kennedy
Bond	Dorgan	Kerry
Boxer	Durbin	Kohl
Breaux	Edwards	Kyl
Brownback	Ensign	Landrieu
Bunning	Enzi	Leahy
Burns	Feingold	Levin
Byrd	Feinstein	Lieberman
Campbell	Fitzgerald	Lincoln
Cantwell	Frist	Lott
Carnahan	Graham	Lugar
Carper	Gramm	McCain
Chafee	Grassley	McConnell
Cleland	Gregg	Mikulski
Clinton	Hagel	Miller
Cochran	Harkin	Murkowski
Collins	Hatch	Murray
Conrad	Helms	Nelson (FL)

Nelson (NE)	Sessions	Thompson
Nickles	Shelby	Thurmond
Reed	Smith (NH)	Torricelli
Reid	Smith (OR)	Voinovich
Roberts	Snowe	Warner
Rockefeller	Specter	Wellstone
Santorum	Stabenow	Wyden
Sarbanes	Stevens	
Schumer	Thomas	

Schumer	Stabenow	Torricelli
Snowe	Stevens	Wellstone
Specter	Thompson	Wyden

NAYS—40

Allard	Frist	Nelson (NE)
Allen	Gramm	Nickles
Bennett	Grassley	Roberts
Bond	Gregg	Santorum
Breaux	Hagel	Sessions
Brownback	Hatch	Shelby
Bunning	Helms	Smith (NH)
Burns	Hutchinson	Smith (OR)
Campbell	Hutchinson	Thomas
Craig	Inhofe	Thurmond
Crapo	Kyl	Voinovich
DeWine	Lott	Warner
Domenici	McConnell	
Enzi	Murkowski	

The motion was rejected.

CHANGE OF VOTES

Mr. GRAHAM. Mr. President, on rollcall No. 50, I voted "aye." It was my intention to vote "no." Therefore, I ask unanimous consent that I be permitted to change my vote since it would in no way change the outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KOHL. Mr. President, on rollcall vote No. 50, I voted "aye." It was my intention to vote "no." Therefore, I ask unanimous consent that I be permitted to change my vote since it would in no way change the outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above orders.)

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Is the Senator from Kentucky correct that in order to adopt the Hagel amendment, division II, just voted on, by voice vote would require unanimous consent?

The PRESIDING OFFICER. That is correct.

Mr. MCCONNELL. I so ask unanimous consent.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. It is adopted.

(Amendment No. 146, division II, was agreed to.)

Mr. MCCONNELL. I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON DIVISION III, SUBTITLE C, SOFT MONEY OF NATIONAL PARTIES; STATE PARTY ALLOCABLE ACTIVITIES

The PRESIDING OFFICER. The question now occurs on agreeing to the motion. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 60, nays 40, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—60

Akaka	Daschle	Kerry
Baucus	Dayton	Kohl
Bayh	Dodd	Landrieu
Biden	Dorgan	Leahy
Bingaman	Durbin	Levin
Boxer	Edwards	Lieberman
Byrd	Ensign	Lincoln
Cantwell	Feingold	Lugar
Carnahan	Feinstein	McCain
Carper	Fitzgerald	Mikulski
Chafee	Graham	Miller
Cleland	Harkin	Murray
Clinton	Hollings	Nelson (FL)
Cochran	Inouye	Reid
Collins	Jeffords	Reid
Conrad	Johnson	Rockefeller
Corzine	Kennedy	Sarbanes

The motion was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. LIEBERMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, just to notify the Chamber, the next amendment to be offered will be by Senator KERRY of Massachusetts.

I ask unanimous consent that the recess be extended until the hour of 2:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:30 p.m.

Thereupon, at 1:15 p.m., the Senate recessed until 2:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. INHOFE).

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—(continued)

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Oklahoma, suggests the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I am very pleased at the progress we have made. We have disposed of a number of amendments. I think we have had a level of debate with which Americans are pleased, as are certain Members of the Senate, by the significant participation that has taken place.

We really only have two major issues remaining. One is the issue of severability, which is, if there is a constitutional challenge to this legislation, if one part falls, whether or not all of it falls. The other is the hard money issue, with lots of negotiations and discussions going on as I speak.

It was agreed at the beginning we would spend 2 weeks on this issue, and that was my understanding. It is now my understanding that there are some Members who think perhaps we would not move to final passage. I am committed to moving to final passage.

As I have said before, it is not the 2 weeks that counts; it is the final disposition of this legislation which I think not only I but the American people deserve.

As I say, we have disposed of the major issues with the exception of two. Therefore, in regard to further consideration of the bill before the Senate, I ask unanimous consent that first-degree amendments be limited to 10 each for the proponents and opponents of the bill; that relevant second-degree amendments be in order, with 1 hour for debate per second-degree amendment; and after all amendments are offered, the bill be immediately advanced to third reading for final passage, with no intervening action or debate.

Mr. MCCONNELL. Reserving the right to object, and I will object, let me say to my friend from Arizona, he knows, and we worked on it together, the consent agreement under which we took up this legislation scripted the beginning of the bill. It did not script the end.

The Senator from Arizona made very plain from the beginning he wanted this debate to end in an up-or-down vote. It may well end in an up-or-down vote, but the consent agreement did not determine that, and it would not be possible to get consent to structure the end at this time.

Let me say this to my friend from Arizona. I agree with him the only big issues left are the hard money limits and the nonseverability question. I do not think it is likely we would go beyond Thursday night, in any event.

However, Mr. President, to the unanimous consent request, I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, I appreciate the thoughts of the Senator from Kentucky. It is hard for me to understand now, with just 2 full days, 2½ days, why we wouldn't, as is our practice around here once we have considered a lot of amendments and a lot of proposals, as we reach the end, narrow down amendments. One, then, has to wonder what the intentions are.

I don't perhaps disagree with the Senator from Kentucky about the language of the unanimous consent agreement. I believe everyone was laboring under the impression that we would reach final resolution of this issue with an up-or-down vote. There are some Senators who now question that.

So I will be back with another unanimous consent request, and if that is not agreeable, then one can only draw the conclusion that there is an objection to a final disposition of this issue and that, obviously, would be something we would have to then consider.

I want to make perfectly clear again what I said at the very beginning, and I will be glad to read the CONGRESSIONAL RECORD when the unanimous